

CITY OF OAKDALE, LOUISIANA**Financial Report****Year Ended June 30, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

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CITY OF OAKDALE, LOUISIANA

Management's Discussion and Analysis (Unaudited)

Within this section of the City of Oakdale Louisiana (the City) annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the fiscal year ended June 30, 2007. The City's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

The City's assets exceeded its liabilities by \$8,492,576 (net assets) for the fiscal year reported.

Total net assets are comprised of the following:

1. Capital assets, net of related debt, of \$7,640,529 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
2. Net assets of \$1,106,073 are restricted and reserved by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.

The City's governmental funds reported total ending fund balance of \$725,635 this year. This compares to the prior year ending fund balance of \$725,639 showing an decrease of \$4 during the current year. The General Fund total fund balance of \$26,512 for fiscal year 2007 shows a \$1,094 decrease from the prior year. All fund balances are reserved or restricted as to particular uses.

Overall, the financial position of the City has improved slightly from 2006 due principally to increases in sales taxes and grant revenues.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

CITY OF OAKDALE, LOUISIANA

Management's Discussion and Analysis (Unaudited) (Continued)

The first of these government-wide statements is the Statement of Net Assets. This is the government-wide statement of position presenting information that includes all of the City's assets and liabilities, with the difference reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities, which reports how the City's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, and streets. Business-type activities include the water and sewer systems.

The government-wide financial statements are presented on pages 19-21 of this report.

FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation.

The City has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 23-28 of this report.

CITY OF OAKDALE, LOUISIANA

Management's Discussion and Analysis (Unaudited) (Continued)

Proprietary funds are reported in the fund financial statements and generally report services for which the City charges customers a fee. The City maintains one type of proprietary fund. The enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the City organization for water and sewer utilities.

The basic proprietary fund financial statements are presented on pages 29-32 of this report.

Notes to the basic financial statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 34 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budget presentations. Budgetary comparison statements are included as "required supplementary information" for the general fund and the other major funds. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the City's adopted and final revised budget. Required supplementary information can be found on pages 56-61 of this report.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

The City implemented the new financial reporting model used in this report beginning with the prior fiscal year ended June 30, 2004. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the City as a whole.

The City's net assets at fiscal year-end are \$8,492,576. The following table provides a summary of the City's net assets:

CITY OF OAKDALE, LOUISIANA

Management's Discussion and Analysis (Unaudited) (Continued)

Summary of Net Assets

	Governmental Activities	Business-type Activities	2007 Total	2006 Total
Assets:				
Current assets and other assets	\$ 737,093	\$ 374,065	\$ 1,111,158	\$ 1,302,191
Restricted assets	288,343	231,487	519,830	432,649
Capital assets	<u>6,532,831</u>	<u>3,939,698</u>	<u>10,472,529</u>	<u>10,199,562</u>
Total assets	<u>7,558,267</u>	<u>4,545,250</u>	<u>12,103,517</u>	<u>11,934,402</u>
Liabilities:				
Current liabilities	787,850	153,922	941,772	1,009,796
Long-term liabilities	<u>2,601,000</u>	<u>68,169</u>	<u>2,669,169</u>	<u>2,900,347</u>
Total liabilities	<u>3,388,850</u>	<u>222,091</u>	<u>3,610,941</u>	<u>3,910,143</u>
Net assets:				
Investment in capital assets, net of debt	3,700,830	-	3,700,830	3,582,769
Contributed capital	-	1,443,419	1,443,419	988,327
Restricted	956,479	151,594	1,108,073	853,418
Unrestricted	<u>(487,892)</u>	<u>2,728,146</u>	<u>2,240,254</u>	<u>2,599,745</u>
Total net assets	<u>\$ 4,169,417</u>	<u>\$ 4,323,159</u>	<u>\$ 8,492,576</u>	<u>\$ 8,024,259</u>

The City has an improving current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is .94 to 1 and 2.43 to 1 for business type activities. For the City overall, the current ratio is 1.18 to 1. These ratios have declined slightly overall from prior year and should be continually monitored to develop improving trends.

The City reported positive balances in net assets for both governmental and business-type activities. Net assets increased \$148,037 for governmental activities and increased by \$320,280 for business-type activities. The City's overall net assets increased by \$468,317 during fiscal year 2007.

Note that approximately 89% of the governmental activities' net assets are tied up in capital assets. The City uses these capital assets to provide services to its citizens. Capital assets in the business-type activities also provide utility services, but they also generate revenues for this fund.

CITY OF OAKDALE, LOUISIANA

Management's Discussion and Analysis (Unaudited) (Continued)

The following table provides a summary of the City's changes in net assets:

	Summary of Changes in Net Assets					
	Governmental Activities	Business-type Activities	2007 Total	% Total	2006 Total	% Total
Revenues:						
Program:						
Charges for services/fines	\$ 396,658	\$ 1,357,187	\$ 1,753,845	38%	\$ 1,505,811	32%
Operating grants	148,228	-	148,228	3%	346,140	7%
Capital grants	269,027	515,720	784,747	17%	839,181	18%
General:						
Sales taxes	1,192,665	-	1,192,665	26%	1,143,467	25%
Other taxes	613,109	-	613,109	13%	616,033	13%
Interest	13,045	51,004	64,049	1%	38,697	1%
Other	73,190	-	73,190	2%	166,845	4%
Total Revenues	<u>2,705,922</u>	<u>1,923,911</u>	<u>4,629,833</u>	<u>100%</u>	<u>4,656,174</u>	<u>100%</u>
Program expenses:						
General government	1,100,582	-	1,100,582	26%	1,212,065	30%
Public safety:						
Police	893,781	-	893,781	21%	844,306	21%
Fire	223,250	-	223,250	5%	198,485	5%
Highways and streets	657,250	-	657,250	16%	499,347	13%
Culture and recreation	202,743	-	202,743	5%	195,550	5%
Interest	124,290	-	124,290	3%	122,470	3%
Electric, water and sewer	-	959,620	959,620	23%	919,398	23%
Total expenses	<u>\$ 3,201,896</u>	<u>\$ 959,620</u>	<u>\$ 4,161,516</u>	<u>100%</u>	<u>\$ 3,991,621</u>	<u>100%</u>
Excess (deficiency)	(495,974)	964,291	468,317		664,553	
Transfers	644,011	(644,011)	-		-	
Change in net assets	148,037	320,280	468,317		664,553	
Beginning net assets	4,021,380	4,002,879	8,024,259		7,359,706	
Ending net assets	<u>\$ 4,169,417</u>	<u>\$ 4,323,159</u>	<u>\$ 8,492,576</u>		<u>\$ 8,024,259</u>	

GOVERNMENTAL REVENUES

The City is heavily reliant on sales taxes to support governmental operations. Sales taxes provided 26% of the City's total revenues. Also note that program revenues cover only 26% of governmental operating expenses. As a result, the general economy and the local businesses have a major impact on the City's revenue streams.

CITY OF OAKDALE, LOUISIANA

Management's Discussion and Analysis (Unaudited) (Continued)

GOVERNMENTAL FUNCTIONAL EXPENSES

Police services comprise 21% of the City's total expenses and 28% of the total governmental expenses. The total public safety makes up 27% of the total expenses and 35% of the total governmental expenses. The highway and street expenses are 16% of total City expenses, and culture and recreation represents 5% of total City expenses.

This table presents the cost of each of the City's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the City's taxpayers by each of these functions.

	Governmental Activities			
	2007		2006	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 1,041,647	\$ 400,769	\$ 1,072,467	\$ (241,617)
Public safety:				
Police	893,781	867,171	844,306	682,745
Fire	223,250	223,250	198,485	173,519
Highways and streets	657,250	510,825	499,347	436,222
Culture and recreation	202,743	202,743	195,550	195,550
Other	58,935	58,935	139,598	139,598
Interest on long-term debt	124,290	124,290	122,470	122,470
Total	<u>\$ 3,201,896</u>	<u>\$ 2,387,983</u>	<u>\$ 3,072,223</u>	<u>\$ 1,508,487</u>

BUSINESS-TYPE ACTIVITIES

Revenues vs. Costs

Within the total business type activities of the City, these activities reported \$964,291 operating income (which includes \$515,720 of grant revenue) compared to operating income of \$247,975 for the prior year.

Moreover, after nonoperating revenues and expenses, and transfers in, the fund reported income of \$320,280, or \$47,846 more than 2006. By department, the fund reported the following operating income or loss:

Water department	\$ 481,717
Sewer department	\$ 431,570

The City is charging its users the full amount of operational costs for the water operations, as noted above with excess revenues being used to subsidize other operations of the City. In an effort to improve operations, the City is taking a number of positive steps. The City is aggressively protecting its water supply from unauthorized use and expanding their customer base. Also, the City is repairing its utility infrastructure in an effort to become compliant with requirements of the United States Department of Environmental Quality.

CITY OF OAKDALE, LOUISIANA

Management's Discussion and Analysis (Unaudited) (Continued)

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$725,635. All of the aforementioned fund balances are legally restricted (i.e. the reserved fund balances) include: \$26,512 committed for prepaids, \$129,294 reserved in accordance with sales tax ordinances, \$338,985 gaming funds reserved for uses as provided by the Coushatta Indian Tribe (the provider of funds) and \$230,844 for debt service.

The total ending fund balances of governmental funds show a minimal decrease of \$4 below the prior year. This indicates that, overall, the City's governmental activities have resulted in basically the same economic condition as in the prior year.

MAJOR GOVERNMENTAL FUNDS

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance decreased by \$1,094. However, the reader needs to remember that the City controls these differences by the amount of resources it transfers in from the Enterprise and Sales Tax Funds. Typically the City retains little if any fund balances in the General Fund, choosing rather to record transfers from the Sales Tax Fund and Utility Fund.

From a comparative stand point, the General Fund experienced the following changes: taxes (ad valorem, franchise, and beer taxes) decreased slightly in total by \$4,585. Licenses and permits increased by \$20,776 due to an increase in both occupational licenses and building permits. Local, state, and federal revenues (termed intergovernmental) were substantially lower than in 2006 primarily due to certain grants received in the prior year not present in the current year. Fines and forfeits revenues decreased by \$1,112 from 2006 due to a the stabilization of court fine revenues received through city court as compared to the significant increase of 2006 over 2005.

Overall, reoccurring revenues (total revenues less grants received) decreased approximately \$80,159. The expenditures side shows an increase of \$216,337 in General Fund expenditures, however, adjusting the expenditures to reflect reoccurring expenditures (subtracting grant expenditures) yields an increase of \$139,598. Significant categories include increases in financial administration of \$182,242, primarily due to professional services expenditures and an increase in public safety of \$85,943 due primarily to increased operating, capital outlay, and damages expenditures.

The sales tax fund continues to maintain a fund balance of \$129,294. Sales tax revenues were \$48,144 more than 2006.

In 2007, as in prior years, the City transferred all of the net proceeds received from sales tax collections to cover an \$106,065 deficit in the Fire Department Fund, and the remaining \$1,025,447 was transferred to the General Fund to defray the costs of operating the City Police Department (an acceptable use of the City's 3/10 of one percent sales tax), defraying the cost of operating of the public works department (an acceptable use of the City's one percent sales tax), and transfers to cover debt service payments.

CITY OF OAKDALE, LOUISIANA

Management's Discussion and Analysis (Unaudited) (Continued)

The City's Fire Department Fund revenues increased slightly from 2006 and expenditures increased approximately \$24,633. As a result the deficit before transfers increased from \$83,062 in 2006 to \$106,065 in 2007. The deficit was covered by a transfer from the Sales Tax Fund.

The City's Gaming Revenue Fund experienced a \$20,681 increase in funding for 2007. Revenues increased from \$254,010 in 2006 to \$274,691. Expenditures consisted primarily of various qualifying departmental expenditures. The Gaming Fund ended the year with a surplus of \$39,766.

The City's Debt Service Fund is used to accumulate monies for payment of principal and interest on bond indebtedness. Revenues for the year ended 2007 consisted primarily of \$71,869 collected in ad valorem taxes specifically passed and pledged for the repayment of certain general obligation bonds. Short-falls in funding were made-up by various transfers from other funds. Overall, the City's Debt Service Funds ended the fiscal year with \$230,844 in ending fund balance which is restricted as to its use for payment of debt service payments.

The City's Capital Projects Fund consists of one primary project, the water main construction for the Martco OSB Plant. This project is being funded by an LCDBG grant.

THE PROPRIETARY FUND

The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the enterprise fund at the end of the year amounted to \$4,171,565. However, this amount is basically not available due to it being invested in fixed assets with a portion of it being due to newly contributed capital in the amount of \$515,720. Total contributed capital currently amounts to \$1,443,419. Other factors concerning the enterprise fund have already been addressed in the discussion of the City's business-type activities.

BUDGETARY HIGHLIGHTS

The General Fund - The General Fund's revenue budget was less than the actual amount reported in fiscal year 2007.

Total budgeted revenues were increased by \$34,980 from the original budget. Miscellaneous revenue increased by \$51,800.

The general fund's actual amounts expended exceeded budgeted amounts by approximately 9%.

The Sales Tax Fund - The Sales Tax Fund's actual revenues were less than budgeted by approximately 2%.

The Fire Department Fund - The Fire Department Fund's actual revenues were less than that budgeted by approximately 14%.

CITY OF OAKDALE, LOUISIANA

Management's Discussion and Analysis (Unaudited) (Continued)

Major differences between the actual results of the general fund and the final amended budget are as follows:

- The City actually collected more revenues from intergovernmental sources than were actually budgeted for primarily in the area of state and federal grants.
- The City collected \$19,752 more revenues than the budget in taxes from primarily franchise tax sources and collected approximately 15% fewer revenues from miscellaneous sources than budgeted.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The City's total capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2007, were \$10,472,529. See Note 6 for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital asset activity:

	Capital Assets					
	Governmental	Governmental	Business-type	Business-type	Total	Total
	Activities	Activities	Activities	Activities		
	2007	2006	2007	2006	2007	2006
Non-depreciable assets:						
Land	\$ 532,583	\$ 532,583	\$ 70,543	\$ 70,543	\$ 603,126	\$ 603,126
Construction in progress	864,467	768,475	515,720	-	1,380,187	768,475
Total non-depreciable	1,397,050	1,301,058	586,263	70,543	1,983,313	1,371,601
Depreciable assets:						
Buildings	6,159,277	6,159,277	-	-	6,159,277	6,159,277
Vehicles	1,220,782	1,206,282	-	-	1,220,782	1,206,282
Equipment, furniture, and fixtures	1,193,139	1,104,911	80,955	80,955	1,274,094	1,185,866
Improvements other than buildings	373,051	361,351	-	-	373,051	361,351
Utility systems	-	-	10,327,151	10,315,151	10,327,151	10,315,151
Infrastructure	1,499,847	1,499,847	-	-	1,499,847	1,499,847
Total depreciable assets	10,446,096	10,331,668	10,408,106	10,396,106	20,854,202	20,727,774
Less accumulated depreciation	5,310,315	4,999,957	7,054,671	6,899,856	12,364,986	11,899,813
Book value-depreciable assets	\$ 5,135,781	\$ 5,331,711	\$ 3,353,435	\$ 3,496,250	\$ 8,489,216	\$ 8,827,961
Percentage depreciated	51%	48%	68%	66%	59%	57%
Book value-all assets	\$ 6,532,831	\$ 6,632,769	\$ 3,939,698	\$ 3,566,793	\$ 10,472,529	\$ 10,199,562

CITY OF OAKDALE, LOUISIANA

Management's Discussion and Analysis (Unaudited) (Continued)

At June 30, 2007, the depreciable capital assets for governmental activities were 51% depreciated. This is a 3% increase over the December 31, 2006 percentage. The City is replacing its assets at approximately the same rate as they are depreciating which is a positive indicator.

With respect to the City's business type activities, 68% of the asset values were depreciated at June 30, 2007 compared to 66% at December 31, 2006.

At the end of the fiscal year, the City had total bonded debt outstanding of \$2,832,000.

During the year, the City retired \$218,000 of beginning outstanding bonded debt balance.

	<u>Outstanding Borrowings</u>			
	<u>Governmental Activities</u>		<u>Totals</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revolving loan	\$ 1,275,000	\$ 1,340,000	\$ 1,275,000	\$ 1,340,000
General Obligation/Certificate of Indebtedness	<u>1,557,000</u>	<u>1,710,000</u>	<u>1,557,000</u>	<u>1,710,000</u>
Total	<u>\$ 2,832,000</u>	<u>\$ 3,050,000</u>	<u>\$ 2,832,000</u>	<u>\$ 3,050,000</u>

See Note 8 for additional information about the City's long-term debt.

ECONOMIC CONDITIONS AFFECTING THE CITY

The City's primary source of revenue is utility charges and sales taxes. The City anticipates continued levels of utility revenues for the upcoming year. The City's sales taxes are an additional major revenue stream. The City experienced an approximate 4% increase in sales tax revenues in the current year and a 16% increase in utility service revenues.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's Mayor, Mayor Robert Abrusley, P.O. Box 728, Oakdale, Louisiana 71463.



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Independent Auditor's Report

The Honorable Robert Abrusley, Mayor
City of Oakdale, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Oakdale, Louisiana, as of and for the year ended June 30, 2007, which collectively comprise the basic financial statements of the City's primary government as listed in the table of contents. These financial statements are the responsibility of the City of Oakdale, Louisiana's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements referred to above include only the primary government of the City of Oakdale, Louisiana, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the City's legal entity. The financial statements do not include financial data for the City's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the City's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the City of Oakdale, Louisiana as of June 30, 2007, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the primary government of the City of Oakdale, Louisiana, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 11, 2007, on our consideration of the City of Oakdale, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of the primary government of the City of Oakdale, Louisiana. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The prior year summarized comparative information has been derived from the City's 2006 financial statements and, in our report dated October 31, 2006 we expressed a qualified opinion on the respective financial statements of the primary government.

Dannall, Sikes, Gardes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana
December 11, 2007



Darnall, Sikes, Gardes Frederick.

(A Corporation of Certified Public Accountants)

Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133

The Honorable Mayor Robert Abrusley
and Members of the City Council
City of Oakdale, Louisiana

Compliance

We have audited the compliance of the City of Oakdale, Louisiana with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Oakdale, Louisiana complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

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Internal Control Over Compliance

The management of the City of Oakdale is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing an opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information and use of management, the City Council, the Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Dannall, Sikes, Gaudes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana
December 11, 2007



(A Corporation of Certified Public Accountants)

**Independent Auditor's Report on
Compliance and on Internal Control over
Financial Reporting Based on an Audit of Basic
Financial Statements Performed in Accordance
with *Government Auditing Standards***

The Honorable Mayor Robert Abrusley
and City Council Members
City of Oakdale, Louisiana

We have audited the financial statements of the City of Oakdale, Louisiana, primary government, as of and for the year ended June 30, 2007, and have issued our report thereon dated December 11, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Oakdale's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the primary government financial statements and not to provide assurance on the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Oakdale's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a deficiency, or combination of control deficiencies, that adversely affects the City of Oakdale's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Oakdale's financial statements that is more than inconsequential will not be prevented or detected by the City of Oakdale's internal control. We considered the deficiencies described in the accompanying schedule of findings and questioned costs, as items 07-2, 07-3, and 07-4, to be significant deficiencies in internal control over financial reporting.

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A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Oakdale's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Oakdale's primary government financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and is listed as item 07-1.

The City of Oakdale's response to the findings identified in our audit is described in the accompanying management's corrective action plan. We did not audit the City of Oakdale's response and, accordingly, we express no opinion on it.

This report is intended solely for the information of the City Council Members and management and is not intended to be and should not be used by anyone other than those specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document, therefore, its distribution is not limited.

Darnall, Sikes, Gardes & Frederick

A Corporation of Certified Public Accountants

Eunice, Louisiana
December 11, 2007

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

CITY OF OAKDALE, LOUISIANA

Statement of Net Assets
June 30, 2007

	Governmental Activities	Business - Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 236,784	\$ -	\$ 236,784
Receivables, net	271,091	328,068	599,159
Due from other funds	202,706	45,997	248,703
Prepaid items	<u>26,512</u>	<u>-</u>	<u>26,512</u>
Total current assets	<u>737,093</u>	<u>374,065</u>	<u>1,111,158</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	288,343	-	288,343
Customers' deposit accounts	-	79,893	79,893
Sewer plant replacement accounts	-	151,594	151,594
Capital assets, net	<u>6,532,831</u>	<u>3,939,698</u>	<u>10,472,529</u>
Total noncurrent assets	<u>6,821,174</u>	<u>4,171,185</u>	<u>10,992,359</u>
Total assets	<u>7,558,267</u>	<u>4,545,250</u>	<u>12,103,517</u>
LIABILITIES			
Current liabilities:			
Accounts and other payables	160,894	135,059	295,953
Bonds payable	231,000	-	231,000
Accrued interest	33,670	-	33,670
Claims payable	192,328	-	192,328
Compensated absences payable	31,051	-	31,051
Due to other funds	<u>138,907</u>	<u>18,863</u>	<u>157,770</u>
Total current liabilities	<u>787,850</u>	<u>153,922</u>	<u>941,772</u>
Noncurrent liabilities:			
Customers deposits payable	-	68,169	68,169
Bonds payable	<u>2,601,000</u>	<u>-</u>	<u>2,601,000</u>
Total noncurrent liabilities	<u>2,601,000</u>	<u>68,169</u>	<u>2,669,169</u>
Total liabilities	<u>3,388,850</u>	<u>222,091</u>	<u>3,610,941</u>
NET ASSETS			
Invested in capital assets, net of related debt	3,700,830	-	3,700,830
Restricted for debt service	230,844	-	230,844
Reserved	725,635	151,594	877,229
Unrestricted	<u>(487,892)</u>	<u>4,171,565</u>	<u>3,683,673</u>
	<u>\$ 4,169,417</u>	<u>\$ 4,323,159</u>	<u>\$ 8,492,576</u>

The accompanying notes are an integral part of this statement.

CITY OF OAKDALE, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2007

Activities	Expenses
Governmental activities:	
General government	\$ 1,041,647
Public safety:	
Police	893,781
Fire	223,250
Health and recreation	202,743
Public works	657,250
Interest on long-term debt	124,290
Grant expenditures	<u>58,935</u>
Total governmental activities	3,201,896
Business-type activities:	
Water	309,157
Sewer	<u>650,463</u>
Total business-type activities	<u>959,620</u>
Total	<u>\$ 4,161,516</u>

Program Revenues			Net (Expense) Revenues and Changes in Net Assets		
Fees, Fines and Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
\$ 396,658	\$ 148,228	\$ 95,992	\$ (400,769)	\$ -	\$ (400,769)
-	-	26,610	(867,171)	-	(867,171)
-	-	-	(223,250)	-	(223,250)
-	-	-	(202,743)	-	(202,743)
-	-	146,425	(510,825)	-	(510,825)
-	-	-	(124,290)	-	(124,290)
-	-	-	(58,935)	-	(58,935)
396,658	148,228	269,027	(2,387,983)	-	(2,387,983)
790,874	-	-	-	481,717	481,717
566,313	-	515,720	-	431,570	431,570
1,357,187	-	515,720	-	913,287	913,287
<u>\$ 1,753,845</u>	<u>\$ 148,228</u>	<u>\$ 784,747</u>	<u>\$ (2,387,983)</u>	<u>\$ 913,287</u>	<u>\$ (1,474,696)</u>
General revenues:					
Taxes -					
Property taxes, levied for general purposes			108,086	-	108,086
Property taxes levied for fire protection			89,117	-	89,117
Property taxes, levied for sewer improvement			71,869	-	71,869
Sales and use taxes, levied for general purposes			1,192,665	-	1,192,665
Payment in lieu of taxes			16,242	-	16,242
Franchise and chain store taxes			327,795	-	327,795
Grants and contributions not restricted to specific programs -					
State sources			27,320	-	27,320
Interest and investment earnings			13,045	51,004	64,049
Special item - Hwy. 10 relocation income			-	-	-
Special item - sale of assets			2,160	-	2,160
Miscellaneous			43,710	-	43,710
Transfers			644,011	(644,011)	-
Total general revenues and transfers			2,536,020	(593,007)	1,943,013
Change in net assets			148,037	320,280	468,317
Net assets - July 1, 2006			4,021,380	4,002,879	8,024,259
Net assets - June 30, 2007			<u>\$ 4,169,417</u>	<u>\$ 4,323,159</u>	<u>\$ 8,492,576</u>

The accompanying notes are an integral part of this statement

FUND FINANCIAL STATEMENTS (FFS)

CITY OF OAKDALE, LOUISIANA

Balance Sheet
Governmental Funds
June 30, 2007
With Comparative Totals for June 30, 2006

ASSETS	General	Sales Tax Special Revenue	Gaming Special Revenue
Cash and interest-bearing deposits	\$ 101,995	\$ 23,231	\$ 111,558
Receivables	92,174	81,365	70,310
Prepaid expenditures	26,512	-	-
Due from other funds	-	45,589	157,117
Restricted assets - cash and investments	-	-	-
Total assets	<u>\$ 220,681</u>	<u>\$ 150,185</u>	<u>\$ 338,985</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 126,277	\$ 20,891	\$ -
Due to other funds	67,892	-	-
Total liabilities	<u>194,169</u>	<u>20,891</u>	<u>-</u>
Fund balances:			
Reserved	26,512	129,294	338,985
Reserved for debt service	-	-	-
Total fund balances	<u>26,512</u>	<u>129,294</u>	<u>338,985</u>
Total liabilities and fund balances	<u>\$ 220,681</u>	<u>\$ 150,185</u>	<u>\$ 338,985</u>

Fire Dept. Special Revenue	Debt Service	Capital Projects	Totals	
			2007	2006
\$ -	\$ -	\$ -	\$ 236,784	\$ 384,913
27,242	-	-	271,091	331,376
-	-	-	26,512	27,606
-	-	-	202,706	101,903
-	288,343	-	288,343	231,689
<u>\$ 27,242</u>	<u>\$ 288,343</u>	<u>\$ -</u>	<u>\$ 1,025,436</u>	<u>\$ 1,077,487</u>
\$ 13,726	\$ -	\$ -	\$ 160,894	\$ 269,620
13,516	57,499	-	138,907	82,228
<u>27,242</u>	<u>57,499</u>	<u>-</u>	<u>299,801</u>	<u>351,848</u>
-	-	-	494,791	456,119
-	230,844	-	230,844	269,520
-	230,844	-	725,635	725,639
<u>\$ 27,242</u>	<u>\$ 288,343</u>	<u>\$ -</u>	<u>\$ 1,025,436</u>	<u>\$ 1,077,487</u>

The accompanying notes are an integral part of this statement.

CITY OF OAKDALE, LOUISIANA

Reconciliation of the Government Funds Balance Sheet
to the Statement of Net Assets
June 30, 2007

Total fund balances for governmental funds at June 30, 2007 \$ 725,635

Total net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

Land and construction in progress	\$ 1,397,050	
Buildings, net of \$3,126,835 accumulated depreciation	3,032,442	
Equipment, furniture and fixtures net of \$883,129 accumulated depreciation	310,010	
Vehicles, net of \$1,056,463 accumulated depreciation	164,319	
Improvements other than buildings, net of \$139,745 accumulated depreciation	233,306	
Infrastructure, net of \$104,143 accumulated depreciation	<u>1,395,704</u>	6,532,831
Compensated absences	(31,051)	
Claims payable	(192,328)	
Accrued interest payable	(33,670)	
Bonds payable	<u>(2,832,000)</u>	(3,089,049)

Total net assets of governmental activities at June 30, 2007 \$ 4,169,417

The accompanying notes are an integral part of this statement.

CITY OF OAKDALE, LOUISIANA
Comparative Statements of Revenues, Expenses, and Changes in Fund Balance
Governmental Funds

For the Year Ended June 30, 2007
With Comparative Totals for the Year Ended June 30, 2006

	General	Sales Tax Special Revenue	Gaming Special Revenue
Revenues:			
Taxes	\$ 451,430	\$ 1,154,637	\$ -
Licenses and permits	223,094	-	-
Intergovernmental	25,434	-	-
Fines and forfeits	55,490	-	-
Miscellaneous	<u>161,509</u>	<u>119</u>	<u>274,691</u>
Total revenues	<u>916,957</u>	<u>1,154,756</u>	<u>274,691</u>
Expenditures:			
Current -			
General government	935,961	23,244	-
Public safety	822,552	-	-
Health and recreation	154,415	-	-
Public works	419,290	-	152,562
Capital outlay	120,928	-	-
Debt service -			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Grant expenditures	<u>58,935</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>2,512,081</u>	<u>23,244</u>	<u>152,562</u>
Excess (deficiency) of revenues over expenditures	<u>(1,595,124)</u>	<u>1,131,512</u>	<u>122,129</u>
Other financing sources (uses):			
Grant revenue	68,105	-	-
Operating transfers in	1,550,005	-	-
Operating transfers out	(24,080)	(1,131,512)	(82,363)
Proceeds from borrowings	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>1,594,030</u>	<u>(1,131,512)</u>	<u>(82,363)</u>
Net changes in fund balance	(1,094)	-	39,766
Fund balances, beginning	<u>27,606</u>	<u>129,294</u>	<u>299,219</u>
Fund balances, ending	<u>\$ 26,512</u>	<u>\$ 129,294</u>	<u>\$ 338,985</u>

Fire Dept. Special Revenue	Debt Service	Capital Projects	Totals	
			2007	2006
\$ 116,359	\$ 71,869	\$ -	\$ 1,794,295	\$ 1,748,640
-	-	-	223,094	202,318
-	-	-	25,434	28,784
-	-	-	55,490	56,602
-	7,192	-	443,511	508,807
<u>116,359</u>	<u>79,061</u>	<u>-</u>	<u>2,541,824</u>	<u>2,545,151</u>
-	-	-	959,205	795,119
222,424	-	-	1,044,976	962,177
-	-	-	154,415	147,222
-	-	-	571,852	410,190
-	-	95,992	216,920	843,934
-	218,000	-	218,000	225,000
-	125,633	-	125,633	122,837
-	-	-	58,935	139,598
<u>222,424</u>	<u>343,633</u>	<u>95,992</u>	<u>3,349,936</u>	<u>3,646,077</u>
<u>(106,065)</u>	<u>(264,572)</u>	<u>(95,992)</u>	<u>(808,112)</u>	<u>(1,100,926)</u>
-	-	95,992	164,097	943,651
106,065	225,896	-	1,881,966	1,351,297
-	-	-	(1,237,955)	(1,375,757)
-	-	-	-	250,000
<u>106,065</u>	<u>225,896</u>	<u>95,992</u>	<u>808,108</u>	<u>1,169,191</u>
-	(38,676)	-	(4)	68,265
-	269,520	-	725,639	657,374
<u>\$ -</u>	<u>\$ 230,844</u>	<u>\$ -</u>	<u>\$ 725,635</u>	<u>\$ 725,639</u>

The accompanying notes are an integral part of this statement.

CITY OF OAKDALE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2007

Total net changes in fund balances at June 30, 2007 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ (4)
---	--------

The change in net assets reported for governmental activities in the
statement of activities is different because:

Governmental funds report capital outlays as expenditures. However,
in the statement of activities, the cost of those assets is allocated over
their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	216,920	
Depreciation expense for the year ended June 30, 2007	<u>(316,858)</u>	(99,938)

Governmental funds report bonded debt repayments as expenditures.
However, this expenditure does not appear in the statement of activities
since the payment is applied against the bond payable balance on the
statement of net assets

218,000

Less: Excess of compensated absences earned over compensated absences used	(11,956)
---	----------

Add: Excess of claims paid over claims incurred	40,592
---	--------

Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	<u>1,343</u>
---	--------------

Total changes in net assets at June 30, 2007 per Statement of Activities	<u>\$ 148,037</u>
--	-------------------

The accompanying notes are an integral part of this statement.

CITY OF OAKDALE, LOUISIANA

Proprietary Fund
Statement of Net Assets
June 30, 2007

		Business - Type Activities - Enterprise Fund	
		2007	2006
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$	-	\$ -
Receivables, net		328,068	161,319
Due from other funds		45,997	295,074
Total current assets		<u>374,065</u>	<u>456,393</u>
Noncurrent assets:			
Restricted assets:			
Customers' deposit accounts		79,893	73,181
Sewer plant replacement accounts		151,594	127,779
Capital assets, net		<u>3,939,698</u>	<u>3,566,793</u>
Total noncurrent assets		<u>4,171,185</u>	<u>3,767,753</u>
Total assets		<u>4,545,250</u>	<u>4,224,146</u>
LIABILITIES			
Current liabilities:			
Accounts and other payables		135,059	152,920
Due to other funds		<u>18,863</u>	-
Total current liabilities		<u>153,922</u>	<u>152,920</u>
Noncurrent liabilities:			
Customers deposits payable		<u>68,169</u>	<u>68,347</u>
Total noncurrent liabilities		<u>68,169</u>	<u>68,347</u>
Total liabilities		<u>222,091</u>	<u>221,267</u>
NET ASSETS			
Contributed capital		1,443,419	988,327
Reserved for sewer plant replacement		151,594	127,779
Unreserved		<u>2,728,146</u>	<u>2,886,773</u>
	\$	<u>4,323,159</u>	<u>\$ 4,002,879</u>

The accompanying notes are an integral part of this statement.

CITY OF OAKDALE, LOUISIANA

Proprietary Fund
Comparative Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Years Ended June 30, 2007 and 2006

	Business-type Activities- Enterprise Fund	
	2007	2006
Operating revenues:		
Charges for services	\$ 1,353,177	\$ 1,100,959
Other	<u>39,837</u>	<u>44,821</u>
Total operating revenues	<u>1,393,014</u>	<u>1,145,780</u>
Operating expenses:		
Water department expenses	233,597	234,739
Sewerage department expenses	571,208	504,721
Depreciation expense	<u>154,815</u>	<u>160,742</u>
Total operating expenses	<u>959,620</u>	<u>900,202</u>
Operating income	<u>433,394</u>	<u>245,578</u>
Nonoperating revenues:		
Grant revenue	515,720	19,196
Interest income	15,177	2,397
Grant expenses	<u>-</u>	<u>(19,196)</u>
Total nonoperating revenues	<u>530,897</u>	<u>2,397</u>
Income before transfers	<u>964,291</u>	<u>247,975</u>
Transfers in (out):		
Transfers in (out)	<u>(644,011)</u>	<u>24,459</u>
Total transfers in (out)	<u>(644,011)</u>	<u>24,459</u>
Change in net assets	320,280	272,434
Net assets, beginning	<u>4,002,879</u>	<u>3,730,445</u>
Net assets, ending	<u>\$ 4,323,159</u>	<u>\$ 4,002,879</u>

The accompanying notes are an integral part of this statement.

CITY OF OAKDALE, LOUISIANA

Comparative Statement of Cash Flows
Proprietary Fund
For the Years Ended June 30, 2007 and 2006

	Business-type Activities - Enterprise Fund	
	2007	2006
Cash flows from operating activities:		
Receipts from customers	\$ 1,475,340	\$ 864,084
Payments to suppliers	<u>(803,801)</u>	<u>(885,305)</u>
Net cash provided by operating activities	<u>671,539</u>	<u>(21,221)</u>
Cash flows from noncapital financing activities:		
Decrease (increase) in customer deposits - net	(178)	3,134
Transfers to other funds	<u>(644,011)</u>	<u>24,459</u>
Net cash used by noncapital financing activities	<u>(644,189)</u>	<u>27,593</u>
Cash flows from capital and related financing activities:		
Acquisition of property, plant and equipment	<u>(12,000)</u>	<u>(33,022)</u>
Net cash used by capital and related financing activities	<u>(12,000)</u>	<u>(33,022)</u>
Cash flows from investing activities:		
Proceeds of interest-bearing deposits with maturity in excess of ninety days	127,779	160,338
Purchase of interest-bearing deposits with maturity in excess of ninety days	(151,594)	(127,779)
Interest on investments	<u>15,177</u>	<u>2,398</u>
Net cash used by investing activities	<u>(8,638)</u>	<u>34,957</u>
Net increase (decrease) in cash and cash equivalents	6,712	8,307
Cash and cash equivalents, beginning of period	<u>73,181</u>	<u>64,874</u>
Cash and cash equivalents, end of period	<u>\$ 79,893</u>	<u>\$ 73,181</u>

The accompanying notes are an integral part of this statement.

CITY OF OAKDALE, LOUISIANA

Comparative Statement of Cash Flows (Continued)
 Proprietary Funds
 For the Years Ended June 30, 2007 and 2006

	Business-type Activities - Enterprise Fund	
	2007	2006
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 433,394	\$ 245,578
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	154,815	160,742
Changes in current assets and liabilities:		
Increase in accounts receivable	(166,749)	13,378
Decrease in other receivables	249,077	(295,074)
Increase in accounts payable	(17,809)	11,371
Decrease in other accrued liabilities	(52)	31
Increase in other payables	<u>18,863</u>	<u>(157,247)</u>
Net cash provided (used) by operating activities	<u>671,539</u>	<u>(21,221)</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of period -		
Cash and interest-bearing deposits - restricted	<u>73,181</u>	<u>64,874</u>
Total cash and cash equivalents	<u>73,181</u>	<u>64,874</u>
Cash and cash equivalents, end of period -		
Cash and interest-bearing deposits - restricted	<u>79,893</u>	<u>73,181</u>
Total cash and cash equivalents	<u>79,893</u>	<u>73,181</u>
Net increase (decrease)	<u>\$ 6,712</u>	<u>\$ 8,307</u>

The accompanying notes are an integral part of this statement.

CITY OF OAKDALE, LOUISIANA

Statement of Fiduciary Net Assets
June 30, 2007
With Comparative Totals for June 30, 2006

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash	\$ 135,825	\$ 343,356
Due from General Fund	67,892	63,487
Due from Fire Department Fund	<u>13,516</u>	<u>18,740</u>
Total assets	<u>\$ 217,233</u>	<u>\$ 425,583</u>
LIABILITIES		
Other accrued liabilities	\$ 44,893	\$ 28,605
Due to Sales Tax Fund	45,589	3,318
Due to Utility Fund	45,997	295,074
Due to Gaming Fund	80,754	60,754
Due to Bonded Debt	<u>-</u>	<u>37,832</u>
Total liabilities	<u>\$ 217,233</u>	<u>\$ 425,583</u>
NET ASSETS		
Total net assets	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Oakdale, Louisiana, is an incorporated municipality under the provisions of the Lawrason Act. The City operates under a Mayor-City Council Members form of government.

The accompanying financial statements of the City of Oakdale (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions on or before November 30, 1989 have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note. The City has implemented the new financial reporting requirements of GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. As a result, an entirely new financial presentation format has been implemented.

The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City of Oakdale, Louisiana, is a municipal corporation governed by an elected board. These financial statements present only the financial activity of the City of Oakdale, Louisiana, (the primary government). They do not include the data of the component units necessary for reporting in conformity with generally accepted accounting principles.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the City of Oakdale, the primary government, as a whole. They include all funds of the primary government, except fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the City and for each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund financial statements report detailed information about the City.

The various funds of the City are classified into three categories: governmental, proprietary and fiduciary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

The major funds of the City are described below:

Governmental Funds -

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

The Sales Tax Special Revenue Fund accounts for the proceeds of a one percent sales tax and a three-tenths of one percent sales tax that is legally restricted to expenditures for specific purposes.

The Gaming Special Revenue Fund accounts for the receipt and expenditure of grant awards contributed by the Coushatta Tribe of Louisiana.

The Fire Department Special Revenue Fund accounts for the operations of the Fire Department. Funding is provided by the Fire Department maintenance ad valorem tax and operating transfers from the General Fund and Sales Tax Fund.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Additionally, the City reports the following fund types:

Proprietary Funds -

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows.

Enterprise funds

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City applies all applicable FASB pronouncements issued after November 30, 1989 in accounting and reporting for its enterprise fund. The City's enterprise fund is the Utility Fund.

Fiduciary Fund Type --

Master Bank Account

The Master Bank account is used to account for the operating checking account used by the City.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus

On the government-wide statement of net assets and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used with the following exceptions:

Utility services earned between billing cycles are not recognized as revenue until actually billed. Such amounts would not be material to the financial statements.

Purchases of various operating supplies are regarded as expenditures at the time purchased. Inventories, if any, are not material.

Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the City's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the City's general revenues.

Allocation of indirect expenses

The City reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Budgets

Operating budgets of proposed expenditures and the means of financing them were adopted for all governmental funds, consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted or as amended by the City Council Members. Budgetary amendments involving the transfer of funds from one fund to another require approval of the City Council Members. All budgetary appropriations lapse at the end of each fiscal year.

E. Encumbrances

The City does not use the encumbrance method of accounting.

F. Cash and Investments

For purposes of the Statement of Net Assets, cash includes amounts on hand and in demand deposits. Investments are stated at cost.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the purpose of the statement of cash flows, management considers all highly liquid investments, including restricted assets, with a maturity of three months or less when purchased, to be cash equivalents.

G. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds". Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets.

H. Restricted Assets

Certain Utility System Enterprise Fund assets are classified as restricted assets because their use is limited by applicable bond covenants or action of the City Council Members. "Customers Deposit Accounts" report funds received from customers for utility deposits. "Sewer Plant Replacement Accounts" report resources set aside for future replacement of the City's sewerage treatment plant. "Water lines replacement account" segregates resources restricted for replacement of the City's water lines.

I. Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem and sales and use taxes and gaming revenue receivables. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible ad valorem taxes or utility service receivables are recognized as bad debts through the establishment of an allowance account of the time information becomes available which would indicate the uncollectibility of the particular receivable.

J. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$1,000 for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Public domain ("infrastructure") assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized retroactively. Pursuant to GASB

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

No. 34, the City qualifies as a "Phase 3" government and, therefore, will report infrastructure assets prospectively.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Equipment	3-20 years
Utility system and improvements	20-50 years
Vehicles	5 years
Infrastructure	20-50 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

K. Bond Issuance Costs

In governmental fund types, bond issuance costs are recognized in the current period. Bond issuance costs for the proprietary fund type are deferred and amortized over the term of the bonds using the effective interest method. Bond issuance costs are recorded as deferred charges.

L. Compensated Absences

All employees are eligible for sick leave after six months of full employment. One week will be authorized for employment up to two years. Thereafter, one additional week will be authorized for each ten year increment of service until a maximum of four weeks is achieved at twenty years of service. Sick leave and vacation are authorized on January 1 of each year with no unused amounts to be carried forward from previous years.

Vacation is earned at the same rate as sick leave after one year of continuous service and, also, does not carry forward. A current liability for compensated absences has been reported in the government-wide statements in the amount of \$31,051 representing the amount due at June 30, 2007 were liquidation of earned amounts to occur.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Long-Term Obligations

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of the general obligation bonds payable and certificates of indebtedness payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

N. Equity Classifications

In the government-wide statements equity is classified as net assets and displayed in three components:

- a. Invested capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – consists of net assets with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – all other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved.

O. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character:

Proprietary Fund – By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

P. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note 13
Water and sewer revenue	Debt service and utility operations

The City uses unrestricted resources only when restricted resources are fully depleted (i.e. when the City has a choice, restricted resources are utilized first).

Q. Legal Compliance – Budgets

The City follows these procedures in establishing the budgetary data reflected in these financial statements.

- A. The City Clerk prepares a proposed budget and submits same to the Mayor and City Council Members no later than fifteen days prior to the beginning of each fiscal year.
- B. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- C. A public hearing is held on the proposed budget after publication of the call for the hearing.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- D. After holding the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance.

Budgets for all Governmental Fund types are adopted consistent with state law which provides, in part, that appropriations for the fund cannot exceed estimated revenues plus fund balance. State law requires a budget amendment for General and Special Revenue Funds when revenue collections plus projected revenue collections for the remainder of the year, within a fund, are failing to meet estimated annual budgeted revenues by five percent or more, or when actual expenditures plus projected expenditures are exceeding budgeted expenditures by five percent or more.

R. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

S. Report Classification

Certain previously reported amounts for the year ended June 30, 2006 have been reclassified to conform to the June 30, 2007 classifications.

T. Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However, comparative data has not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2007, the City has cash and interest-bearing deposits (book balances) totaling \$756,614 as follows:

	Governmental Activities	Business-Type Activities	Total
Demand deposits	\$ 395,733	\$ -	\$ 395,733
Time deposits	<u>129,394</u>	<u>231,487</u>	<u>360,881</u>
	<u>\$ 525,127</u>	<u>\$ 231,487</u>	<u>\$ 756,614</u>

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 2 CASH AND INTEREST-BEARING DEPOSITS

These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2007 are secured as follows:

Bank balances	<u>\$ 948,853</u>
Federal deposit insurance	400,000
Pledged securities (Category 3)	<u>1,974,379</u>
Total	<u>2,374,379</u>
Excess	<u>\$ 1,425,526</u>

Pledged securities in Category 3 includes uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 3 RECEIVABLES

Receivables at June 30, 2007, consisted of the following:

General Fund:	
Accrued franchise taxes receivable	\$ 69,210
Other receivables	20,038
Taxes receivable	2,928
Utility System Enterprise Fund:	
Accounts receivable - customers	289,556
Accounts receivable - other governmental entities	38,510
Special Revenue Funds:	
Sales tax receivable	81,365
Fire insurance tax receivable	27,242
Accounts receivable - gaming revenue	<u>70,310</u>
	<u>\$ 599,159</u>

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 3 RECEIVABLES (Continued)

Accounts receivable - customers in the Enterprise Fund is shown net of allowance for doubtful accounts of \$20,000 at June 30, 2007.

NOTE 4 DUE FROM/TO OTHER FUNDS

Amounts due from or to other funds at June 30, 2007, consisted of the following:

	Due From Other Funds	Due to Other Funds
General Fund	\$ -	\$ 67,892
Special Revenue Funds:		
Sales Tax Fund	45,589	-
Fire Department Fund	-	13,516
Gaming Revenue Fund	157,117	-
Utility System Enterprise Fund	27,133	-
Master Bank Fund	81,408	172,340
Debt Service Fund	-	57,499
	<u>\$ 311,247</u>	<u>\$ 311,247</u>

NOTE 5 RESTRICTED ASSETS

Restricted assets, at June 30, 2007, consisted of the following:

	Cash and Cash Equivalents	Investments	Total
Customers' deposit accounts	\$ 45,650	\$ 34,243	\$ 79,893
Debt service account	288,343	-	288,343
Sewer plant replacement accounts	-	151,594	151,594
	<u>\$ 333,993</u>	<u>\$ 185,837</u>	<u>\$ 519,830</u>

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 6 CAPITAL ASSETS

	Balance 07/01/06	Additions	Deletions	Balance 6/30/2007
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 532,583	\$ -	\$ -	\$ 532,583
Construction in progress	768,475	95,992	-	864,467
Other capital assets:				
Buildings	6,159,277	-	-	6,159,277
Vehicles	1,206,282	21,000	6,500	1,220,782
Equipment, furniture and fixtures	1,104,911	88,228	-	1,193,139
Improvements othan buildings	361,351	11,700	-	373,051
Infrastructure	<u>1,499,847</u>	<u>-</u>	<u>-</u>	<u>1,499,847</u>
Totals	<u>11,632,726</u>	<u>216,920</u>	<u>6,500</u>	<u>11,843,146</u>
Less accumulated depreciation				
Buildings	2,972,646	154,189	-	3,126,835
Vehicles	1,021,988	40,975	6,500	1,056,463
Equipment, furniture and fixtures	812,170	70,959	-	883,129
Improvements other than buildings	126,506	13,239	-	139,745
Infrastructure	<u>66,647</u>	<u>37,496</u>	<u>-</u>	<u>104,143</u>
Total accumulated depreciation	<u>4,999,957</u>	<u>316,858</u>	<u>6,500</u>	<u>5,310,315</u>
Governmental activities, Capital assets, net	<u>\$ 6,632,769</u>	<u>\$ (99,938)</u>	<u>\$ -</u>	<u>\$ 6,532,831</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	70,543	-	-	70,543
Construction in progress	-	515,720	-	515,720
Other capital assets:				
Water system	3,412,908	12,000	-	3,424,908
Sewer system	6,902,243	-	-	6,902,243
Machinery and equipment	<u>80,955</u>	<u>-</u>	<u>-</u>	<u>80,955</u>
Totals	<u>10,466,649</u>	<u>527,720</u>	<u>-</u>	<u>10,994,369</u>
Less accumulated depreciation				
Water system	1,307,593	75,560	-	1,383,153
Sewer system	5,511,308	79,255	-	5,590,563
Machinery and equipment	<u>80,955</u>	<u>-</u>	<u>-</u>	<u>80,955</u>
Total accumulated depreciation	<u>6,899,856</u>	<u>154,815</u>	<u>-</u>	<u>7,054,671</u>
Business-type activities, capital assets, net	<u>\$ 3,566,793</u>	<u>\$ 372,905</u>	<u>\$ -</u>	<u>\$ 3,939,698</u>

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 6 CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 111,078
Police	71,230
Fire	825
Public works	85,398
Health and recreation	<u>48,328</u>
Total depreciation expense	<u>\$ 316,859</u>

Depreciation expense was charged to business-type activities as follows:

Water	\$ 75,560
Sewer	<u>79,255</u>
Total depreciation expense	<u>\$ 154,815</u>

NOTE 7 LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Liabilities payable from restricted assets at June 30, 2007, consisted of the following:

Payable from customers' deposit accounts:	
Customers' deposits	<u>\$ 68,169</u>

NOTE 8 LONG-TERM DEBT

The following is a summary of bonds and certificates of indebtedness transactions of the City for the year ended June 30, 2007:

	June 30, 2006	Additions	Deletions	June 30, 2007
Revolving loan	\$ 1,340,000	\$ -	\$ (65,000)	\$ 1,275,000
General obligation bonds	<u>1,710,000</u>	<u>-</u>	<u>(153,000)</u>	<u>1,557,000</u>
	<u>\$ 3,050,000</u>	<u>\$ -</u>	<u>\$ (218,000)</u>	<u>\$ 2,832,000</u>

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 8 LONG-TERM DEBT (CONTINUED)

*Revolving Loan:

Revolving loan payable to the Louisiana Department of Environmental Quality (LDEQ) dated November 1, 1999. Payment terms require interest only from inception through February 1, 2002 at a rate of 3.45% plus an annual administrative fee of one-half of one percent (.5%) of the outstanding principal balance of the loan. The loan is secured by a borrower bond issued to the LDEQ in the amount of \$1,500,000. The bond is secured by a pledge of the City's 1% sales tax

\$ 1,275,000

General obligation bonds and certificates of indebtedness:

General obligation bonds, Series 2003, dated 7/1/03, original original issue of \$800,000, retired semiannually on March 1 and September 1 in various installment amounts, interest rate not to exceed 6.00% per annum, final maturity 3/1/18

\$ 645,000

Certificates of Indebtedness, Series 2002, dated 10/1/02, original issue of \$850,000, retired semiannually on May 1 and November 1 in various installment amounts, interest rate at 4.95% per annum, final maturity on 5/1/17

650,000

Certificate of Indebtedness, Series 2006, dated 6/22/06, original issue of \$37,000, retired annually in various installment amounts, interest rate at 6.20% per annum, final maturity at 5/1/11

32,000

Certificate of Indebtedness, Series 2006, dated 6/22/06, original issue of \$213,000, retired annually in various installment amounts, interest rate at 6.20% per annum, financial maturity at 5/1/11

176,000

Certificate of Indebtedness, Series 2000, dated 12/1/00, original issue of \$150,000, retired annually in various installment amounts, interest rate at 5.75% per annum, final maturity at 5/1/10

54,000

\$ 1,557,000

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 8 LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize all debt outstanding as of June 30, 2007, including interest payments of \$745,816 are as follows:

Year Ending June 30,	Governmental Activities	
	Totals	
	Principal Payments	Interest Payments
2008	\$ 231,000	\$ 112,188
2009	239,000	103,429
2010	252,000	94,245
2011	245,000	83,929
2012	200,000	73,756
2013-2017	1,150,000	236,576
2018-2021	<u>515,000</u>	<u>41,693</u>
	<u>\$ 2,832,000</u>	<u>\$ 745,816</u>

*The revolving loan is anticipated to be an interim construction loan for the period from November 1, 1999 until the completion of the project. Provided the City is not in default with respect to the interim loan and the project is completed within specified time limits, LDEQ will convert the interim loan to a permanent loan. The borrower bond executed by the City as evidence of the interim loan will be appropriately marked after completion of the project and will represent the City's obligation to repay the loan. Terms of the bonded indebtedness require annual principal payments on February 1st of the years 2002-2021. Additional, interest payments will be required on February 1st and August 1st of each year at a rate of 3.45%.

NOTE 9 RESERVED RETAINED EARNINGS - ENTERPRISE FUND

Changes in reserved retained earnings during the year were as follows:

	Sewer Plan Replacement
Balance, beginning of year	\$ 127,779
Interest earned on investment	12,822
Net transfers from operating	<u>10,993</u>
Balance, end of year	<u>\$ 151,594</u>

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 10 RESERVED FUND BALANCES - GOVERNMENTAL FUND TYPES

Reserved fund balances in governmental fund types consisted of the following at June 30, 2007:

General Fund:	
Reserved for prepaid expenses	\$ 26,512
Debt Service Funds:	
Reserved for debt service	\$ 230,844
Special revenue funds	<u>468,279</u>
	<u>\$ 725,635</u>

NOTE 11 AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to the taxpayers in October or November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The City bills and collects its own property taxes using the assessed values determined by the tax assessor of Allen Parish.

For the year ended June 30, 2007, taxes of 17.42 mills were levied on property with assessed valuations totaling \$15,460,000 and were dedicated as follows:

General corporate purposes	7.01 mills
Fire department	5.78 mills
Debt service	4.63 mills

Total taxes levied were \$259,424.

NOTE 12 ENTERPRISE FUND -- OPERATIONS

The City operates a utility system consisting of a water production and distribution system, and a sewerage transmission and treatment plant. Following is a condensed summary of operations of the Utility System Enterprise Fund.

	Water Department	Sewerage Department	Total Enterprise Fund
Operating revenues	\$ 790,874	\$ 602,140	\$ 1,393,014
Operating expenses	<u>309,158</u>	<u>650,462</u>	<u>959,620</u>
Operating income (loss)	<u>\$ 481,716</u>	<u>\$ (48,322)</u>	<u>\$ 433,394</u>

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 13 SPECIAL REVENUE FUNDS - SALES TAX

Sales Tax Ordinances

Proceeds of the one percent sales tax are to be used for the purpose of constructing, acquiring, extending, improving, operating and maintaining sewers and sewerage disposal works, waterworks facilities, streets, alleys, bridges, drains and drainage facilities; public buildings, purchasing and acquiring the necessary land, equipment and furnishings for the aforesaid public works, buildings, improvements and facilities; title to which shall be in the public, or for any one or more said purposes; and for the purpose of paying principal and interest on any bonded or funded indebtedness of the City incurred for any of the said purposes.

Proceeds of the three-tenths of one percent sales tax are dedicated for the purpose of improving, maintaining, and operating the Police and Fire Departments of the City, and for the purpose of paying the costs of the acquisition of equipment for the Department of Public Works.

The City received 21 percent of sales tax revenues from one taxpayer for the year ended June 30, 2007.

Flow of Funds - Restrictions on Use

Under the terms of the Sales Tax Refunding Bonds, Series 1999 and the Public Improvement Sales Tax Bonds, Series 1999, all proceeds derived from the levy and collection of the City's one percent sales tax will be deposited in the Sales Tax Fund, a separate and special bank account established and maintained by the City. Out of the proceeds of the tax on deposit, after the reasonable and necessary costs and expenses of collection and administration of the tax have been paid, monies remaining are to be used in the following order of priority and for the following express purposes:

The establishment and maintenance of Sales Tax Bond Sinking Funds for the payment of bonds and interest as they mature. Monthly transfers of sums equal to one-sixth of the interest falling due on the next interest payment date and one-twelfth of the bond principal falling due on the next principal payment date are to be made to this fund on or before the twentieth day of each month.

The establishment of a Reserve Fund. The Reserve Fund is to be retained solely for the purpose of paying the principal and interest on bonds payable from the aforementioned Public Improvement Sales Tax Bonds, Series 1999 issuance. The requirements are that the City will, on or before the twentieth of each month, deposit 25% of the amount required to be paid into the Sinking Fund until such time as there has been accumulated therein a sum equal to the lesser of 10% of the proceeds of the bonds or the maximum scheduled principal and interest requirements in any succeeding bond year.

Any money remaining after making the above required payments may be used for any purpose for which the imposition of the sales tax is authorized or for the purpose of retiring bonds in advance of their maturity.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 14 PENSION PLANS

Eligible employees of the City participate in one of three multiple-employer public employee retirement systems (PERS) which are controlled and administered by separate boards of trustees. These retirement systems provide retirement, disability and death benefits to plan members and their beneficiaries. Benefits under each system are established and amended by state statute. Pertinent information for each system follows:

Municipal Employees' Retirement System

The system, established by provisions of Louisiana Revised Statute 11:1731, requires eligible employees to contribute 9.25% of their annual covered salary to the system while the City is required to contribute at the statutory rate of 16% of the total annual covered salary. The City's contributions to the system for the years ended June 30, 2007, 2006, and 2005, were \$106,712, \$104,689, and \$95,734, respectively.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Employee's Retirement System, 7937 Office Park Building, Baton Rouge, LA 70809.

Municipal Police Employee's Retirement System

The system, established by provisions of Louisiana Revised Statute 11:2211, requires eligible employees to contribute 7.5% of their annual covered salary to the system while the City is required to contribute at the statutory rate of 15.50% of the total annual covered salary. The City's contributions to the system for the years ended June 30, 2007, 2006, and 2005, were \$54,680, \$56,165, and \$93,780, respectively.

A publicly available financial report that includes financial statements and required supplemental financial information may be obtained by writing to the Municipal Police Employee's Retirement System, P.O. Box 94095, Capital Station, Baton Rouge, LA 70804-9095.

Louisiana State Employees' Retirement System

The system, established by provisions of Louisiana Revised Statute 11:401, requires eligible employees to contribute 11.5% of their annual covered salary to the system while the City is required to contribute at the statutory rate of 19% of the total annual covered salary. The City's contributions to the system for the years ended June 30, 2007, 2006, and 2005, were \$13,876, \$15,678, and \$6,662, respectively.

CITY OF OAKDALE, LOUISIANA

Notes to Financial Statements

NOTE 15 COMPENSATION OF TOWN OFFICIALS

A detail of compensation paid to the Mayor and City Council Members for the year ended June 30, 2007 follows:

Bobby Abrusley, Mayor	\$ 31,053
Aldermen:	
Nathan Benjamin	7,115
Greg Strother	6,821
Chris Paul	4,786
John Navarre	6,799
Roy Gordon	1,364
Ralph Stapleton	<u>6,813</u>
	<u>\$ 64,751</u>

NOTE 16 LEASES

The City leases City-owned land and buildings. These leases are classified as operating leases. The terms of the various leases are all one year or less, with no automatic renewal clauses contained in the lease agreements. Under the terms of the lease agreements, there are no contingent rentals, and the City received minimum lease payments totaling \$80,131 during the year ended June 30, 2007. The cost of land and buildings rented totaled \$2,981,004.

NOTE 17 STATEMENT OF CASH FLOWS

Below is a reconciliation of cash and cash equivalents per the statement of cash flows and the balance sheet:

Cash and cash equivalents	\$ -
Investments	<u>79,893</u>
	<u>\$ 79,893</u>

SUPPLEMENTAL INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF OAKDALE, LOUISIANA
General Fund

Budgetary Comparison Schedule
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007				
	Budget			Variance -	2006
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Revenues:					
Taxes	\$ 431,678	\$ 431,678	\$ 451,430	\$ 19,752	\$ 456,015
Licenses and permits	220,000	220,000	223,094	3,094	202,318
Intergovernmental	27,100	25,180	25,434	254	28,784
Fines and forfeits	64,000	49,100	55,490	6,390	56,602
Miscellaneous	137,800	189,600	161,509	(28,091)	253,397
Total revenues	<u>880,578</u>	<u>915,558</u>	<u>916,957</u>	<u>1,399</u>	<u>997,116</u>
Expenditures:					
Current -					
General government	743,941	841,897	992,432	(150,535)	793,948
Public safety	837,860	843,260	884,214	(40,954)	798,271
Health and recreation	149,470	155,995	154,415	1,580	147,222
Public works	459,366	460,426	422,085	38,341	416,705
Grant expenditures	-	-	58,935	(58,935)	139,598
Total expenditures	<u>2,190,637</u>	<u>2,301,578</u>	<u>2,512,081</u>	<u>(210,503)</u>	<u>2,295,744</u>
Deficiency of revenues over expenditures	<u>(1,310,059)</u>	<u>(1,386,020)</u>	<u>(1,595,124)</u>	<u>(209,104)</u>	<u>(1,298,628)</u>
Other financing sources (uses):					
Grant revenue	-	-	68,105	68,105	201,785
Operating transfers in	1,286,964	1,288,535	1,550,005	261,470	1,143,580
Operating transfers out	<u>(177,338)</u>	<u>(119,895)</u>	<u>(24,080)</u>	<u>95,815</u>	<u>(44,184)</u>
Total other financing sources	<u>1,109,626</u>	<u>1,168,640</u>	<u>1,594,030</u>	<u>425,390</u>	<u>1,301,181</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(200,433)	(217,380)	(1,094)	216,286	2,553
Fund balance, beginning	<u>27,606</u>	<u>27,606</u>	<u>27,606</u>	-	<u>25,053</u>
Fund balance, ending	<u>\$ (172,827)</u>	<u>\$ (189,774)</u>	<u>\$ 26,512</u>	<u>\$ 216,286</u>	<u>\$ 27,606</u>

CITY OF OAKDALE, LOUISIANA
Special Revenue Fund
Sales Tax Fund

Budgetary Comparison Schedule
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007				
	Budget			Variance -	2006
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Revenues:					
Taxes	\$ 1,020,000	\$ 1,182,000	\$ 1,154,637	\$ (27,363)	\$ 1,106,540
Miscellaneous	120	182	119	(63)	72
Total revenues	<u>1,020,120</u>	<u>1,182,182</u>	<u>1,154,756</u>	<u>(27,426)</u>	<u>1,106,612</u>
Expenditures:					
General government -					
Sales tax collection fees	<u>18,666</u>	<u>23,644</u>	<u>23,244</u>	<u>400</u>	<u>21,678</u>
Total expenditures	<u>18,666</u>	<u>23,644</u>	<u>23,244</u>	<u>400</u>	<u>21,678</u>
Excess of revenues over expenditures	<u>1,001,454</u>	<u>1,158,538</u>	<u>1,131,512</u>	<u>(27,026)</u>	<u>1,084,934</u>
Other financing uses:					
Operating transfers out	<u>(1,001,454)</u>	<u>(1,001,454)</u>	<u>(1,131,512)</u>	<u>(130,058)</u>	<u>(1,084,934)</u>
Total other financing sources (uses)	<u>(1,001,454)</u>	<u>(1,001,454)</u>	<u>(1,131,512)</u>	<u>(130,058)</u>	<u>(1,084,934)</u>
Excess of revenues over expenditures and other uses	-	157,084	-	(157,084)	-
Fund balance, beginning	<u>129,294</u>	<u>129,294</u>	<u>129,294</u>	-	<u>129,294</u>
Fund balance, ending	<u>\$ 129,294</u>	<u>\$ 286,378</u>	<u>\$ 129,294</u>	<u>\$ (157,084)</u>	<u>\$ 129,294</u>

CITY OF OAKDALE, LOUISIANA
Special Revenue Fund
Gaming Revenue Fund

Budgetary Comparison Schedule
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007			
	Budget		Variance -	2006
	Original	Final	Favorable (Unfavorable)	Actual
Revenues:				
Intergovernmental -				
Miscellaneous	\$ 268,781	\$ 268,781	\$ 5,910	\$ 254,010
Total revenues	<u>268,781</u>	<u>268,781</u>	<u>5,910</u>	<u>254,010</u>
Expenditures:				
General government	-	-	-	-
Public safety	-	-	-	-
Health and recreation	-	-	-	-
Public works	-	-	152,562	14,552
Capital expenditures	<u>186,418</u>	<u>186,418</u>	<u>186,418</u>	-
Total expenditures	<u>186,418</u>	<u>186,418</u>	<u>33,856</u>	<u>14,552</u>
Excess of revenues over expenditures	82,363	82,363	39,766	239,458
Other financing uses:				
Operating transfers out	<u>(268,781)</u>	<u>(248,461)</u>	<u>166,098</u>	<u>(246,639)</u>
Total other financing uses	<u>(268,781)</u>	<u>(248,461)</u>	<u>166,098</u>	<u>(246,639)</u>
Excess of revenues over expenditures and other uses	(186,418)	(166,098)	205,864	(7,181)
Fund balance, beginning	<u>299,219</u>	<u>299,219</u>	-	<u>306,400</u>
Fund balance, ending	<u>\$ 112,801</u>	<u>\$ 133,121</u>	<u>\$ 205,864</u>	<u>\$ 299,219</u>

CITY OF OAKDALE, LOUISIANA
Special Revenue Fund
Fire Department Fund

Budgetary Comparison Schedule
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007			
	Budget		Variance -	2006
	Original	Final	Favorable (Unfavorable)	Actual
Revenues:				
Taxes -				
Ad valorem taxes	\$ 110,000	\$ 110,000	\$ (20,883)	\$ 89,074
Fire insurance tax	21,000	25,655	1,587	25,655
Total revenues	<u>131,000</u>	<u>135,655</u>	<u>(19,296)</u>	<u>114,729</u>
Expenditures:				
Public safety -				
Salaries	122,107	129,500	8,201	119,578
Fringe benefits	28,273	31,000	(1,526)	29,251
Office and operating supplies	14,500	14,000	1,185	9,822
Uniforms	1,000	1,000	(344)	525
Repairs and maintenance	10,000	27,000	13	6,385
Telephone and utilities	13,240	11,000	(445)	17,012
Training	1,000	500	206	772
Insurance	9,170	8,600	(702)	8,792
Gas, oil, tires, and batteries	5,000	5,000	(1,412)	5,500
Miscellaneous	500	-	-	154
Total expenditures	<u>204,790</u>	<u>227,600</u>	<u>5,176</u>	<u>197,791</u>
Deficiency of revenues under expenditures	(73,790)	(91,945)	(14,120)	(83,062)
Other financing sources:				
Operating transfers in	<u>80,790</u>	<u>80,790</u>	<u>25,275</u>	<u>83,062</u>
Total other financing sources	<u>80,790</u>	<u>80,790</u>	<u>25,275</u>	<u>83,062</u>
Deficiency of revenues and other sources over expenditures	7,000	(11,155)	11,155	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ 7,000</u>	<u>\$ (11,155)</u>	<u>\$ 11,155</u>	<u>\$ -</u>

CITY OF OAKDALE, LOUISIANA
Debt Service Fund

Budgetary Comparison Schedule
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007				
	Budget			Variance -	2006
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Revenues:					
Taxes - ad valorem	\$ 87,585	\$ 87,585	\$ 71,869	\$ (15,716)	\$ 71,356
Miscellaneous	-	-	7,192	7,192	1,328
Total revenues	<u>87,585</u>	<u>87,585</u>	<u>79,061</u>	<u>(8,524)</u>	<u>72,684</u>
Expenditures:					
Debt service -					
Principal, interest, fiscal					
charges and advance refunding					
escrow	<u>343,012</u>	<u>343,013</u>	<u>343,633</u>	<u>(620)</u>	<u>347,837</u>
Deficiency of revenues					
under expenditures	<u>(255,427)</u>	<u>(255,428)</u>	<u>(264,572)</u>	<u>(9,144)</u>	<u>(275,153)</u>
Other financing sources:					
Debt proceeds	-	-	-	-	250,000
Operating transfers in (out)	<u>279,819</u>	<u>167,160</u>	<u>225,896</u>	<u>58,736</u>	<u>98,046</u>
Total other financing sources	<u>279,819</u>	<u>167,160</u>	<u>225,896</u>	<u>58,736</u>	<u>348,046</u>
Excess of revenues and other					
sources over expenditures	24,392	(88,268)	(38,676)	49,592	72,893
Fund balance, beginning	<u>269,520</u>	<u>269,520</u>	<u>269,520</u>	-	<u>196,627</u>
Fund balance, ending	<u>\$ 293,912</u>	<u>\$ 181,252</u>	<u>\$ 230,844</u>	<u>\$ 49,592</u>	<u>\$ 269,520</u>

CITY OF OAKDALE, LOUISIANA
Capital Projects Fund

Budgetary Comparison Schedule
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007			Variance - Favorable (Unfavorable)	2006 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures:					
Current -					
Capital outlay	975,345	975,345	95,992	879,353	768,475
Deficiency of revenues under expenditures	(975,345)	(975,345)	(95,992)	(879,353)	(768,475)
Other financing sources:					
Grant revenue	975,345	975,345	95,992	(879,353)	741,866
Intergovernmental transfers	-	-	-	-	26,609
Bond proceeds	-	-	-	-	-
Total other financing services	975,345	975,345	95,992	(879,353)	768,475
Excess (deficiency) of revenues and other sources over expenditures	-	-	-	-	-
Fund balance, beginning	-	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -	\$ -

OTHER SUPPLEMENTARY INFORMATION

OTHER FINANCIAL INFORMATION

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund.

CITY OF OAKDALE, LOUISIANA
General Fund

Comparative Balance Sheets
June 30, 2007 and 2006

ASSETS

	<u>2007</u>	<u>2006</u>
Cash	\$ 101,995	\$ 191,948
Accounts receivable	92,174	95,887
Prepaid expenditures	<u>26,512</u>	<u>27,606</u>
Total assets	<u>\$ 220,681</u>	<u>\$ 315,441</u>

LIABILITIES AND FUND BALANCE

Due to other funds -		
Master Bank	<u>67,892</u>	<u>63,488</u>
Total liabilities	<u>194,169</u>	<u>287,835</u>
Fund balance		
Reserved for prepaid expenditures	<u>26,512</u>	<u>27,606</u>
Total liabilities and fund balance	<u>\$ 220,681</u>	<u>\$ 315,441</u>

CITY OF OAKDALE, LOUISIANA
General Fund

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007				
	Budget			Variance - Favorable (Unfavorable)	2006 Actual
	Original	Final	Actual		
Revenues:					
Taxes	\$ 431,678	\$ 431,678	\$ 451,430	\$ 19,752	\$ 456,015
Licenses and permits	220,000	220,000	223,094	3,094	202,318
Intergovernmental	27,100	25,180	25,434	254	28,784
Fines and forfeits	64,000	49,100	55,490	6,390	56,602
Miscellaneous	<u>137,800</u>	<u>189,600</u>	<u>161,509</u>	<u>(28,091)</u>	<u>253,397</u>
Total revenues	<u>880,578</u>	<u>915,558</u>	<u>916,957</u>	<u>1,399</u>	<u>997,116</u>
Expenditures:					
Current -					
General government	743,941	841,897	992,432	(150,535)	793,948
Public safety	837,860	843,260	884,214	(40,954)	798,271
Health and recreation	149,470	155,995	154,415	1,580	147,222
Public works	459,366	460,426	422,085	38,341	416,705
Grant expenditures	<u>-</u>	<u>-</u>	<u>58,935</u>	<u>(58,935)</u>	<u>139,598</u>
Total expenditures	<u>2,190,637</u>	<u>2,301,578</u>	<u>2,512,081</u>	<u>(210,503)</u>	<u>2,295,744</u>
Deficiency of revenues over expenditures	<u>(1,310,059)</u>	<u>(1,386,020)</u>	<u>(1,595,124)</u>	<u>(209,104)</u>	<u>(1,298,628)</u>
Other financing sources (uses):					
Grant revenue	-	-	68,105	68,105	201,785
Operating transfers in	1,286,964	1,288,535	1,550,005	261,470	1,143,580
Operating transfers out	<u>(177,338)</u>	<u>(119,895)</u>	<u>(24,080)</u>	<u>95,815</u>	<u>(44,184)</u>
Total other financing sources	<u>1,109,626</u>	<u>1,168,640</u>	<u>1,594,030</u>	<u>357,285</u>	<u>1,301,181</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(200,433)	(217,380)	(1,094)	216,286	2,553
Fund balance, beginning	<u>27,606</u>	<u>27,606</u>	<u>27,606</u>	<u>-</u>	<u>25,053</u>
Fund balance, ending	<u>\$ (172,827)</u>	<u>\$ (189,774)</u>	<u>\$ 26,512</u>	<u>\$ 216,286</u>	<u>\$ 27,606</u>

CITY OF OAKDALE, LOUISIANA
General Fund

Statement of Revenues Compared to Budget (GAAP Basis)
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007				
	Budget			Variance - Favorable (Unfavorable)	2006 Actual
	Original	Final	Actual		
Taxes:					
Ad valorem	\$ 150,000	\$ 150,000	\$ 108,086	\$ (41,914)	\$ 108,028
Franchise	270,278	270,278	332,558	62,280	336,715
Beer tax	11,400	11,400	10,786	(614)	11,272
	<u>431,678</u>	<u>431,678</u>	<u>451,430</u>	<u>19,752</u>	<u>456,015</u>
Licenses and permits:					
Occupational licenses	190,000	190,000	195,388	5,388	176,862
Building permits	30,000	30,000	27,706	(2,294)	25,456
	<u>220,000</u>	<u>220,000</u>	<u>223,094</u>	<u>3,094</u>	<u>202,318</u>
Intergovernmental:					
Housing authority - in lieu of taxes	17,900	15,980	16,242	262	16,434
Federal grant	-	-	48,374	48,374	172,379
State of Louisiana - State grant	-	-	19,731	19,731	29,406
Street maintenance	9,200	9,200	7,589	(1,611)	7,589
Allen Parish Police Jury - Other parish receipts	-	-	1,603	1,603	4,761
	<u>27,100</u>	<u>25,180</u>	<u>93,539</u>	<u>68,359</u>	<u>230,569</u>
Fines and forfeits:					
Court fines	60,000	46,000	48,830	2,830	52,122
Penalties	4,000	3,100	6,660	3,560	4,480
	<u>64,000</u>	<u>49,100</u>	<u>55,490</u>	<u>6,390</u>	<u>56,602</u>
Miscellaneous:					
DMV fees	18,000	17,000	17,060	60	18,418
Interest income	1,500	4,300	3,938	(362)	1,363
Rental income	78,000	88,000	80,131	(7,869)	94,376
Care of prisoners	300	300	66	(234)	151
Miscellaneous	40,000	80,000	60,314	(19,686)	139,089
	<u>137,800</u>	<u>189,600</u>	<u>161,509</u>	<u>(28,091)</u>	<u>253,397</u>
Total revenues	\$ 880,578	\$ 915,558	\$ 985,062	\$ 69,504	\$ 1,198,901

CITY OF OAKDALE, LOUISIANA
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis)
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007					
	Budget			Variance -	2006	
	Original	Final	Actual	Favorable (Unfavorable)	Actual	
General government:						
Legislative -						
Salaries	\$ 34,200	\$ 34,200	\$ 33,983	\$ 217	\$ 34,683	
Retirement	1,200	1,100	1,449	(349)	1,190	
Employee health insurance	4,800	2,475	2,406	69	3,945	
Payroll taxes	2,000	2,087	2,045	42	2,100	
Travel and meetings	<u>1,500</u>	<u>3,038</u>	<u>3,485</u>	<u>(447)</u>	<u>1,957</u>	
	<u>43,700</u>	<u>42,900</u>	<u>43,368</u>	<u>(468)</u>	<u>43,875</u>	
Judicial -						
Salaries	-	-	77,466	(77,466)	73,989	
Retirement	-	-	16,982	(16,982)	16,189	
Employee health insurance	-	-	7,492	(7,492)	10,473	
Operating and maintenance	95,000	155,000	44,833	110,167	66,146	
Payroll taxes	<u>-</u>	<u>-</u>	<u>251</u>	<u>(251)</u>	<u>254</u>	
	<u>95,000</u>	<u>155,000</u>	<u>147,024</u>	<u>7,976</u>	<u>167,051</u>	
Executive -						
Salaries	29,364	32,000	31,338	662	29,364	
Retirement	2,610	-	-	-	2,021	
Employee health insurance	2,560	3,300	2,860	440	2,562	
Travel	<u>3,500</u>	<u>3,000</u>	<u>1,248</u>	<u>1,752</u>	<u>3,276</u>	
	<u>38,034</u>	<u>38,300</u>	<u>35,446</u>	<u>2,854</u>	<u>37,223</u>	
Legal -						
Salaries	21,600	23,850	23,850	-	21,600	
Employee health insurance	2,560	2,570	2,860	(290)	2,562	
Unemployment	50	51	-	51	-	
Payroll taxes	<u>250</u>	<u>239</u>	<u>329</u>	<u>(90)</u>	<u>288</u>	
	<u>24,460</u>	<u>26,710</u>	<u>27,039</u>	<u>(329)</u>	<u>24,450</u>	
Financial administration -						
Salaries	112,423	112,423	113,768	(1,345)	109,991	
Retirement	16,863	18,000	19,907	(1,907)	16,592	
Employee health insurance	16,840	16,840	20,696	(3,856)	16,812	
Payroll taxes	1,570	1,570	2,513	(943)	1,336	
Office and operating supplies	28,000	28,000	21,392	6,608	26,423	

CITY OF OAKDALE, LOUISIANA
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	Budget			Variance -	
	Original	Final	Actual	Favorable (Unfavorable)	2006 Actual
Repairs and maintenance	9,000	2,000	2,306	(306)	4,976
Professional services	200,000	200,000	269,532	(69,532)	90,467
Telephone	7,000	6,800	7,803	(1,003)	7,115
Travel and meetings	600	600	1,340	(740)	264
Printing and advertising	10,000	8,900	11,814	(2,914)	9,936
Utilities	24,500	22,000	25,198	(3,198)	20,044
Insurance	90,500	103,991	131,905	(27,914)	121,571
Miscellaneous	6,000	9,200	31,192	(21,992)	9,927
Civil service board	1,500	1,500	1,500	-	1,500
Heliport expenses	2,000	2,300	-	2,300	-
Gas, oil, tires, and batteries	605	430	341	89	518
Tax assessor fees	6,366	6,366	6,232	134	6,382
Computer maintenance agreement	5,000	5,427	6,847	(1,420)	9,693
Damage expenses	-	30,000	3,305	26,695	43,653
Dues and subscriptions	3,980	2,640	5,493	(2,853)	3,642
Capital expenditures	-	-	56,471	(56,471)	20,507
	<u>542,747</u>	<u>578,987</u>	<u>739,555</u>	<u>(160,568)</u>	<u>521,349</u>
 Total general government	 <u>743,941</u>	 <u>841,897</u>	 <u>992,432</u>	 <u>(150,535)</u>	 <u>793,948</u>
 Public safety:					
Salaries	490,000	490,000	499,315	(9,315)	451,905
Retirement	73,500	78,000	62,244	15,756	64,713
Employee health insurance	54,560	56,560	60,288	(3,728)	54,448
Payroll taxes	9,800	14,000	15,170	(1,170)	10,528
Office and operating supplies	20,000	22,000	17,725	4,275	19,977
Repairs and maintenance	22,500	44,000	7,581	36,419	17,796
Telephone	14,000	11,500	12,250	(750)	8,532
Witness fees	10,000	11,000	11,850	(850)	9,900
Utilities	22,500	21,000	19,855	1,145	21,525
Insurance	31,000	34,000	37,446	(3,446)	32,748
Uniform expense	5,000	5,000	208	4,792	1,702
Personnel training	5,000	3,500	4,309	(809)	5,903
Care of prisoners	47,000	22,000	20,205	1,795	30,409
Gas, oil, tires, and batteries	32,000	30,000	28,902	1,098	32,896
Damage expense	-	-	24,815	(24,815)	-
Capital expenditures	-	-	61,662	(61,662)	33,885
Miscellaneous	<u>1,000</u>	<u>700</u>	<u>389</u>	<u>311</u>	<u>1,404</u>
	<u>837,860</u>	<u>843,260</u>	<u>884,214</u>	<u>(40,954)</u>	<u>798,271</u>

CITY OF OAKDALE, LOUISIANA
General Fund

Statement of Expenditures Compared to Budget (GAAP Basis) (Continued)
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	Budget			Favorable	2006
	Original	Final	Actual	(Unfavorable)	Actual
Health and Recreation:					
Salaries	49,000	49,000	48,328	672	48,506
Retirement	7,350	7,800	8,210	(410)	7,337
Employee health insurance	7,700	7,000	6,175	825	7,686
Payroll taxes	920	795	681	114	678
Office and operating supplies	13,000	11,000	8,931	2,069	11,211
Repairs and maintenance	15,000	18,000	16,640	1,360	13,322
Utilities	17,500	22,000	21,266	734	22,825
Insurance	2,000	2,500	2,286	214	2,513
Coroner	8,500	8,500	8,920	(420)	5,975
Gas, oil, tires, and batteries	8,500	11,000	10,087	913	8,918
Civic center	10,000	15,000	19,264	(4,264)	14,959
Christmas lighting	5,000	1,900	-	1,900	1,792
Miscellaneous	<u>5,000</u>	<u>1,500</u>	<u>3,627</u>	<u>(2,127)</u>	<u>1,500</u>
	<u>149,470</u>	<u>155,995</u>	<u>154,415</u>	<u>1,580</u>	<u>147,222</u>
Public works:					
Salaries	192,300	192,300	176,601	15,699	162,459
Retirement	28,845	28,845	25,139	3,706	23,213
Employee health insurance	23,040	26,000	25,286	714	22,699
Payroll taxes	2,981	2,981	2,869	112	2,547
Office and operating supplies	18,000	18,000	13,578	4,422	16,135
Repairs and maintenance	30,000	30,000	21,788	8,212	17,493
Utilities	100,700	89,000	103,441	(14,441)	100,867
Insurance	4,500	9,300	7,184	2,116	3,858
Miscellaneous expenses	17,000	22,000	20,297	1,703	17,499
Gas, oil, tires, and batteries	32,000	32,000	23,107	8,893	28,868
Capital expenditures	<u>10,000</u>	<u>10,000</u>	<u>2,795</u>	<u>7,205</u>	<u>21,067</u>
	<u>459,366</u>	<u>460,426</u>	<u>422,085</u>	<u>38,341</u>	<u>416,705</u>
Grant expenditures	<u>-</u>	<u>-</u>	<u>58,935</u>	<u>(58,935)</u>	<u>139,598</u>
Total expenditures	<u>\$ 2,190,637</u>	<u>\$ 2,301,578</u>	<u>\$ 2,512,081</u>	<u>\$ (210,503)</u>	<u>\$ 2,295,744</u>

SPECIAL REVENUE FUNDS

- Sales Tax Fund - To account for the receipt and expenditure of funds received from the City's two sales taxes. Proceeds of the City's one percent sales tax are dedicated to (1) construction, acquiring, extending, improving, operating, and maintaining sewers and sewerage disposal works, waterworks facilities, streets, alleys, bridges, drains and drainage facilities, public buildings (2) acquiring the necessary land, equipment, and furnishings for the aforesaid public works, buildings, improvements, and facilities, and (3) paying principal and interest on any bonded or funded indebtedness of the City incurred for any of said purposes. Proceeds of the City's three-tenths of one percent sales tax are dedicated to (1) improving, maintaining, and operating the Police and Fire departments of the City, and (2) paying the costs of the acquisition of one hundred thousand dollars (\$100,000) of equipment for the Public Works Department of the City.
- Fire Department Fund - To account for the operations of the Fire Department. Funding is provided by the Fire Department maintenance ad valorem tax and operating transfers from the General Fund and Sales Tax Fund.
- Gaming Revenue Fund - To account for the receipt and expenditure of grant awards contributed by the Coushatta Tribe of Louisiana.

CITY OF OAKDALE, LOUISIANA
Special Revenue Funds

Combining Balance Sheet
June 30, 2007
With Comparative Totals for June 30, 2006

	Sales Tax Fund	Fire Department Fund	Gaming Revenue Fund	2007 Total	2006 Total
ASSETS					
Cash	\$ 23,231	\$ -	\$ 111,558	\$ 134,789	\$ 192,965
Receivables:					
Sales tax	81,365	-	-	81,365	112,181
Fire insurance tax	-	27,242	-	27,242	25,655
Gaming revenue	-	-	70,310	70,310	59,295
Due from other funds:					
Master Bank	45,589	-	80,754		64,072
Bonded Debt	-	-	57,500		
Utility	-	-	18,863	18,863	-
Total assets	<u>\$ 150,185</u>	<u>\$ 27,242</u>	<u>\$ 338,985</u>	<u>\$ 516,412</u>	<u>\$ 454,168</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$ 20,891	\$ 13,726	\$ -	\$ 34,617	\$ 6,915
Due to other funds	-	13,516	-	13,516	18,740
Total liabilities	<u>20,891</u>	<u>27,242</u>	<u>-</u>	<u>48,133</u>	<u>25,655</u>
Fund balances - reserved	<u>129,294</u>	<u>-</u>	<u>338,985</u>	<u>468,279</u>	<u>428,513</u>
Total liabilities and fund balances	<u>\$ 150,185</u>	<u>\$ 27,242</u>	<u>\$ 338,985</u>	<u>\$ 516,412</u>	<u>\$ 454,168</u>

CITY OF OAKDALE, LOUISIANA
Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2007
With Comparative Totals for Year Ended June 30, 2006

	2007			
	Sales Tax Fund	Fire Department Fund	Gaming Revenue Fund	2006
Revenues:				
Taxes	\$ 1,154,637	\$ 116,359	\$ -	\$ 1,221,269
Miscellaneous	<u>119</u>	<u>-</u>	<u>274,691</u>	<u>254,082</u>
Total revenues	<u>1,154,756</u>	<u>116,359</u>	<u>274,691</u>	<u>1,475,351</u>
Expenditures:				
Current -				
General government	23,244	-	-	21,678
Public safety	-	222,424	-	197,791
Public works	-	-	152,562	14,552
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>23,244</u>	<u>222,424</u>	<u>152,562</u>	<u>234,021</u>
Excess (deficiency) of revenues over expenditures	<u>1,131,512</u>	<u>(106,065)</u>	<u>122,129</u>	<u>1,241,330</u>
Other financing sources (uses):				
Operating transfers in	-	106,065	-	83,062
Operating transfers out	<u>(1,131,512)</u>	<u>-</u>	<u>(82,363)</u>	<u>(1,331,573)</u>
Total other financing sources (uses)	<u>(1,131,512)</u>	<u>106,065</u>	<u>(82,363)</u>	<u>(1,248,511)</u>
Excess of revenues and other sources over expenditures and other uses	-	-	39,766	(7,181)
Fund balances, beginning	<u>129,294</u>	<u>-</u>	<u>299,219</u>	<u>435,694</u>
Fund balances, ending	<u>\$ 129,294</u>	<u>\$ -</u>	<u>\$ 338,985</u>	<u>\$ 428,513</u>

CITY OF OAKDALE, LOUISIANA
Special Revenue Funds
Sales Tax Fund

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Budget (GAAP Basis) and Actual
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007			
	Budget		Variance -	2006
	Original	Final	Favorable (Unfavorable)	Actual
Revenues:				
Taxes	\$ 1,020,000	\$ 1,182,000	\$ (27,363)	\$ 1,106,540
Miscellaneous	120	182	(63)	72
Total revenues	<u>1,020,120</u>	<u>1,182,182</u>	<u>(27,426)</u>	<u>1,106,612</u>
Expenditures:				
General government -				
Sales tax collection fees	<u>18,666</u>	<u>23,644</u>	<u>400</u>	<u>21,678</u>
Total expenditures	<u>18,666</u>	<u>23,644</u>	<u>400</u>	<u>21,678</u>
Excess of revenues over expenditures	<u>1,001,454</u>	<u>1,158,538</u>	<u>(27,026)</u>	<u>1,084,934</u>
Other financing uses:				
Operating transfers out	<u>(1,001,454)</u>	<u>(1,001,454)</u>	<u>(130,058)</u>	<u>(1,084,934)</u>
Total other financing sources (uses)	<u>(1,001,454)</u>	<u>(1,001,454)</u>	<u>(130,058)</u>	<u>(1,084,934)</u>
Excess of revenues over expenditures and other uses	-	157,084	(157,084)	-
Fund balance, beginning	<u>129,294</u>	<u>129,294</u>	<u>-</u>	<u>129,294</u>
Fund balance, ending	<u>\$ 129,294</u>	<u>\$ 286,378</u>	<u>\$ (157,084)</u>	<u>\$ 129,294</u>

CITY OF OAKDALE, LOUISIANA
Special Revenue Fund
Fire Department Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007			
	Budget		Variance -	2006
	Original	Final	Favorable (Unfavorable)	Actual
Revenues:				
Taxes -				
Ad valorem taxes	\$ 110,000	\$ 110,000	\$ (20,883)	\$ 89,074
Fire insurance tax	21,000	25,655	1,587	25,655
Total revenues	<u>131,000</u>	<u>135,655</u>	<u>(19,296)</u>	<u>114,729</u>
Expenditures:				
Public safety -				
Salaries	122,107	129,500	8,201	119,578
Fringe benefits	28,273	31,000	(1,526)	29,251
Office and operating supplies	14,500	14,000	1,185	9,822
Uniforms	1,000	1,000	(344)	525
Repairs and maintenance	10,000	27,000	13	6,385
Telephone and utilities	13,240	11,000	(445)	17,012
Training	1,000	500	206	772
Insurance	9,170	8,600	(702)	8,792
Gas, oil, tires, and batteries	5,000	5,000	(1,412)	5,500
Miscellaneous	500	-	-	154
Total expenditures	<u>204,790</u>	<u>227,600</u>	<u>5,176</u>	<u>197,791</u>
Deficiency of revenues over expenditures	(73,790)	(91,945)	14,120	(83,062)
Other financing sources:				
Operating transfers in	<u>80,790</u>	<u>80,790</u>	<u>(25,275)</u>	<u>83,062</u>
Total other financing sources	<u>80,790</u>	<u>80,790</u>	<u>(25,275)</u>	<u>83,062</u>
Deficiency of revenues and other sources over expenditures	7,000	(11,155)	(11,155)	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ 7,000</u>	<u>\$ (11,155)</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF OAKDALE, LOUISIANA
Special Revenue Fund
Gaming Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
Year Ended June 30, 2007
With Comparative Actual Amounts for Year Ended June 30, 2006

	2007			
	Budget		Variance -	2006
	Original	Final	Favorable (Unfavorable)	Actual
Revenues:				
Miscellaneous	\$ 268,781	\$ 268,781	\$ 274,691	\$ 254,010
Total revenues	<u>268,781</u>	<u>268,781</u>	<u>274,691</u>	<u>254,010</u>
Expenditures:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	152,562	14,552
Capital expenditures	<u>186,418</u>	<u>186,418</u>	<u>186,418</u>	-
Total expenditures	<u>186,418</u>	<u>186,418</u>	<u>33,856</u>	<u>14,552</u>
Excess of revenues over expenditures	82,363	82,363	122,129	239,458
Other financing uses:				
Operating transfers out	<u>(268,781)</u>	<u>(248,461)</u>	<u>(82,363)</u>	<u>(246,639)</u>
Total other financing sources	<u>(268,781)</u>	<u>(248,461)</u>	<u>(82,363)</u>	<u>(246,639)</u>
Deficiency of revenues over expenditures and other uses	(186,418)	(166,098)	39,766	(7,181)
Fund balance, beginning	<u>299,219</u>	<u>299,219</u>	<u>299,219</u>	<u>306,400</u>
Fund balance, ending	<u>\$ 112,801</u>	<u>\$ 133,121</u>	<u>\$ 338,985</u>	<u>\$ 299,219</u>

DEBT SERVICE FUNDS

These funds are used to accumulate monies for payment of general obligation debt consisting of the following:

General Obligation Refunding Bonds - City, all secured as to payment by ad valorem taxes assessed on all property and improvements in the City of Oakdale.

Certificates of Indebtedness - all secured upon the dedication and pledging of excess annual revenues of the General Fund.

Sales Tax Refunding Bonds Series 2000, dated August 1, 2000, payable from proceeds of the one percent city sales and use tax.

Revolving Loan payable to the Louisiana Department of Environmental Quality (LDEQ). The loan is secured by a borrower bond issued to LDEQ in the amount of \$1,500,000 secured by a pledge of the City's 1% sales tax.

General Obligation Bonds, Series 2003 - street overlay, secured as to payment by ad valorem taxes assessed on all property and improvements in the City of Oakdale.

CITY OF OAKDALE, LOUISIANA
Debt Service Fund

Combining Balance Sheet – by Debt Type
June 30, 2007
With Comparative Totals for June 30, 2006

	General Obligation Series 2003 Street Overlay	General Obligation Refunding City	Certificate of Indebtedness 1996	Sales Tax Refunding Bond 1999
ASSETS				
Restricted assets:				
Debt service accounts	\$ 12,910	\$ 27	\$ 131	\$ -
Total assets	<u>\$ 12,910</u>	<u>\$ 27</u>	<u>\$ 131</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Reserved for debt service	<u>12,910</u>	<u>27</u>	<u>131</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 12,910</u>	<u>\$ 27</u>	<u>\$ 131</u>	<u>\$ -</u>

Certificate of Indebtedness Series 2000	Certificate of Indebtedness 2002	Certificate of Indebtedness 2006	Revolving Loan	Totals	
				2007	2006
\$ 3,905	\$ 58,364	\$ -	\$ 213,006	\$ 288,343	\$ 231,689
<u>\$ 3,905</u>	<u>\$ 58,364</u>	<u>\$ -</u>	<u>\$ 213,006</u>	<u>\$ 288,343</u>	<u>\$ 231,689</u>
\$ -	\$ 57,499	\$ -	\$ -	\$ 57,499	\$ (37,831)
3,905	865	-	213,006	230,844	269,520
<u>\$ 3,905</u>	<u>\$ 58,364</u>	<u>\$ -</u>	<u>\$ 213,006</u>	<u>\$ 288,343</u>	<u>\$ 231,689</u>

CITY OF OAKDALE, LOUISIANA
Debt Service Fund

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – By Debt Type
Year Ended June 30, 2007
With Comparative Totals for Year Ended June 30, 2006

	General Obligation Bonds Series 2003	General Obligation Refunding City	Certificate of Indebtedness 1996
Revenues:			
Taxes	\$ 71,869	\$ -	\$ -
Miscellaneous	-	-	-
Total revenues	<u>71,869</u>	<u>-</u>	<u>-</u>
Expenditures:			
Debt service -			
Principal retirement	45,000	-	-
Interest and fiscal charges	<u>24,300</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>69,300</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	2,569	-	-
Other financing sources:			
Proceeds from debt	-	-	-
Operating transfers in (out)	<u>(64,483)</u>	<u>(8,386)</u>	<u>(4,618)</u>
Total other financing services	<u>(64,483)</u>	<u>(8,386)</u>	<u>(4,618)</u>
Excess (deficiency) of revenues and other sources over expenditures	(61,914)	(8,386)	(4,618)
Fund balances, beginning	<u>74,824</u>	<u>8,413</u>	<u>4,749</u>
Fund balances, ending	<u>\$ 12,910</u>	<u>\$ 27</u>	<u>\$ 131</u>

Sales Tax Refunding Bond 1999	Certificate of Indebtedness 2000	Certificate of Indebtedness 2002	Certificate of Indebtedness 2006	Revolving Loan	Totals	
					2007	2006
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,869	\$ 71,356
-	-	-	-	7,192	7,192	1,328
-	-	-	-	7,192	79,061	72,684
-	16,000	50,000	42,000	65,000	218,000	225,000
-	4,025	32,363	11,395	53,550	125,633	122,837
-	20,025	82,363	53,395	118,550	343,633	347,837
-	(20,025)	(82,363)	(53,395)	(111,358)	(264,572)	(275,153)
-	-	-	-	-	-	-
(19,751)	17,180	82,363	(196,605)	420,196	225,896	98,046
(19,751)	17,180	82,363	(196,605)	420,196	225,896	98,046
(19,751)	(2,845)	-	(250,000)	308,838	(38,676)	(177,107)
19,751	6,750	865	250,000	(95,832)	269,520	196,627
\$ -	\$ 3,905	\$ 865	\$ -	\$ 213,006	\$ 230,844	\$ 269,520

CITY OF OAKDALE, LOUISIANA
Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances – By Debt Type
Budget (GAAP Basis) and Actual
Year Ended June 30, 2007

	General Obligation Refunding - City			General Obligations Bonds, Series 2003		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ 87,585	\$ 71,869	\$ (15,716)
Miscellaneous	-	-	-	-	-	-
Total revenues	-	-	-	87,585	71,869	(15,716)
Expenditures:						
Debt service -						
Principal, interest, fiscal charges and advance refunding escrow	-	-	-	69,300	69,300	-
Excess (deficiency) of revenues over expenditures	-	-	-	18,285	2,569	(15,716)
Other financing sources:						
Proceeds from debt	-	-	-	-	-	-
Operating transfers in (out)	-	(8,386)	(8,386)	-	(64,483)	(64,483)
Total other financing services	-	(8,386)	(8,386)	-	(64,483)	(64,483)
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	(8,386)	(8,386)	18,285	(61,914)	(80,199)
Fund balances, beginning	8,413	8,413	-	(35,338)	74,824	110,162
Fund balances, ending	\$ 8,413	\$ 27	\$ (8,386)	\$ (17,053)	\$ 12,910	\$ 29,963

Certificate of Indebtedness - 1996			Certificate of Indebtedness - 2006		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>53,395</u>	<u>53,395</u>	<u>-</u>
-	-	-	(53,395)	(53,395)	-
-	-	-	-	-	-
<u>(53,533)</u>	<u>(4,618)</u>	<u>48,915</u>	<u>53,395</u>	<u>(196,605)</u>	<u>(250,000)</u>
<u>(53,533)</u>	<u>(4,618)</u>	<u>48,915</u>	<u>53,395</u>	<u>(196,605)</u>	<u>(250,000)</u>
(53,533)	(4,618)	48,915	-	(250,000)	(250,000)
<u>53,533</u>	<u>4,749</u>	<u>(48,784)</u>	<u>4,515</u>	<u>250,000</u>	<u>245,485</u>
<u>\$ -</u>	<u>\$ 131</u>	<u>\$ 131</u>	<u>\$ 4,515</u>	<u>\$ -</u>	<u>\$ (4,515)</u>

(Continued)

CITY OF OAKDALE, LOUISIANA
Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances – By Debt Type
Budget (GAAP Basis) and Actual (Continued)
Year Ended June 30, 2007

	Sales Tax Refunding Bond 1999			Certificate of Indebtedness 2000		
	Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:						
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-
Expenditures:						
Debt service -						
Principal, interest, fiscal charges and advance refunding escrow	-	-	-	20,025	20,025	-
Deficiency of revenues over expenditures	-	-	-	(20,025)	(20,025)	-
Other financing sources:						
Operating transfers in (out)	-	(19,751)	(19,751)	20,400	17,180	(3,220)
Total other financing sources (uses)	-	(19,751)	(19,751)	20,400	17,180	(3,220)
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	(19,751)	(19,751)	375	(2,845)	(3,220)
Fund balances, beginning	-	19,751	19,751	6,750	6,750	-
Fund balances, ending	\$ -	\$ -	\$ -	\$ 7,125	\$ 3,905	\$ (3,220)

Revolving Loan			Certificate of Indebtedness 2002		
Budget	Actual	Variance - Favorable (Unfavorable)	Budget	Actual	Variance - Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	7,192	7,192	-	-	-
-	7,192	7,192	-	-	-
<u>117,930</u>	<u>118,550</u>	<u>(620)</u>	<u>82,363</u>	<u>82,363</u>	<u>-</u>
(117,930)	(111,358)	6,572	(82,363)	(82,363)	-
<u>117,930</u>	<u>420,196</u>	<u>302,266</u>	<u>82,363</u>	<u>82,363</u>	<u>-</u>
<u>117,930</u>	<u>420,196</u>	<u>302,266</u>	<u>82,363</u>	<u>82,363</u>	<u>-</u>
-	308,838	308,838	-	-	-
<u>23,920</u>	<u>(95,832)</u>	<u>(119,752)</u>	<u>865</u>	<u>865</u>	<u>-</u>
<u>\$ 23,920</u>	<u>\$ 213,006</u>	<u>\$ 189,086</u>	<u>\$ 865</u>	<u>\$ 865</u>	<u>\$ -</u>

CITY OF OAKDALE, LOUISIANA
Capital Projects Fund
Water Main Construction

Statement of Revenues, Expenditures, and Changes in Fund Balance –
Budget (GAAP Basis) and Actual
June 30, 2007

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:			
Miscellaneous	\$ -	\$ -	\$ -
Expenditures:			
Current -			
Capital outlay	<u>975,345</u>	<u>95,992</u>	<u>(879,353)</u>
Deficiency of revenues over expenditures	(975,345)	(95,992)	879,353
Other financing uses:			
Grant revenue	<u>975,345</u>	<u>95,992</u>	<u>(879,353)</u>
Total other financing sources (uses)	<u>975,345</u>	<u>95,992</u>	<u>(879,353)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning	<u>240,557</u>	<u>-</u>	<u>(240,557)</u>
Fund balance, ending	<u>\$ 240,557</u>	<u>\$ -</u>	<u>\$ (240,557)</u>

ENTERPRISE FUND

Utility Fund - To account for the provision of water and sewerage services to the residents of the City and some adjacent areas. All activities necessary to provide these services are accounted for in this fund, including, but not limited to: administration, operation, maintenance, financing and related debt service, and billing and collections.

CITY OF OAKDALE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Balance Sheets
June 30, 2007 and 2006

	<u>2007</u>	<u>2006</u>
ASSETS		
Current assets:		
Accounts receivables	\$ 316,107	\$ 161,319
Other receivables	11,961	-
Due from Master Bank Fund	<u>45,997</u>	<u>295,074</u>
Total current assets	<u>374,065</u>	<u>456,393</u>
Restricted assets:		
Customers' deposit accounts	79,893	73,181
Sewer plant replacement accounts	<u>151,594</u>	<u>127,779</u>
Total restricted assets	<u>231,487</u>	<u>200,960</u>
Property, plant and equipment, at cost, net of accumulated depreciation (2007 - \$7,054,671; 2006 - \$6,899,856)	<u>3,939,698</u>	<u>3,566,793</u>
 Total assets	 <u>\$ 4,545,250</u>	 <u>\$ 4,224,146</u>

	<u>2007</u>	<u>2006</u>
LIABILITIES AND FUND EQUITY		
Liabilities:		
Current liabilities (payable from current assets) -		
Accounts payable	\$ 134,841	\$ 152,650
Due to master bank	18,863	-
Other current liabilities	<u>218</u>	<u>270</u>
Total current liabilities (payable from current assets)	<u>153,922</u>	<u>152,920</u>
Current liabilities (payable from restricted assets) -		
Payable from customers' deposit accounts:		
Customers' deposits	<u>68,169</u>	<u>68,347</u>
Total current liabilities (payable from restricted assets)	<u>68,169</u>	<u>68,347</u>
Total liabilities	<u>222,091</u>	<u>221,267</u>
Fund equity:		
Contributed capital	<u>1,443,419</u>	<u>988,327</u>
Retained earnings -		
Reserved for sewer plant replacement	151,594	127,779
Unreserved	<u>2,728,146</u>	<u>2,886,773</u>
Total accumulated earnings	<u>2,879,740</u>	<u>3,014,552</u>
Total fund equity	<u>4,323,159</u>	<u>4,002,879</u>
Total liabilities and fund equity	<u>\$ 4,545,250</u>	<u>\$ 4,224,146</u>

CITY OF OAKDALE, LOUISIANA

Comparative Statements of Revenues, Expenses, and Changes in Retained Earnings
Enterprise Fund
Utility Fund
Years Ended June 30, 2007 and 2006

	2007	2006
Operating revenues:		
Utility sales - net	\$ 1,353,177	\$ 1,100,959
Service and miscellaneous charges	<u>39,837</u>	<u>44,821</u>
Total operating revenues	<u>1,393,014</u>	<u>1,145,780</u>
Operating expenses:		
Salaries	142,440	134,169
Fringe benefits	40,714	39,081
Supplies	124,355	129,613
Repairs and maintenance	158,064	97,713
Auto and truck expenses	6,665	8,505
Utilities	271,066	269,008
Insurance	19,936	19,824
Bad debts	-	9,239
Other	41,565	32,308
Depreciation	<u>154,815</u>	<u>160,742</u>
Total operating expenses	<u>959,620</u>	<u>900,202</u>
Operating income	<u>433,394</u>	<u>245,578</u>
Nonoperating revenues (expenses):		
Grant revenue	515,720	19,196
Interest earned	15,177	2,398
Grant expenses	-	(19,196)
Total nonoperating revenues (expenses)	<u>530,897</u>	<u>2,398</u>
Income before operating transfers	964,291	247,976
Operating transfers		
Operating transfers in (out)	<u>(644,011)</u>	<u>24,459</u>
Total operating transfers	<u>(644,011)</u>	<u>24,459</u>
Net income (loss) before the add back of depreciation on federal grants	320,280	272,435
Add: Depreciation on fixed assets acquired by capital grants that reduces contributed capital from capital grants	60,628	49,054
Less: Contributed capital that reduces retained earnings	<u>(515,720)</u>	<u>-</u>
Net increase (decrease) in retained earnings	(134,812)	321,489
Retained earnings, beginning	<u>3,014,552</u>	<u>2,693,063</u>
Accumulated earnings, ending	<u>\$ 2,879,740</u>	<u>\$ 3,014,552</u>

CITY OF OAKDALE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statements of Operating Expenses By Department
Years Ended June 30, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Water department:		
Salaries	\$ 32,360	\$ 30,637
Fringe benefits	9,806	10,230
Supplies	43,613	38,509
Repairs and maintenance	14,116	11,965
Auto and truck expenses	4,386	4,365
Utilities	106,385	106,873
Insurance	7,788	7,452
Bad debts	-	9,239
Other	15,143	15,469
Depreciation	75,560	81,287
Total water department	<u>309,157</u>	<u>316,026</u>
Sewer department:		
Salaries	110,080	103,532
Fringe benefits	30,908	28,851
Supplies	80,742	91,104
Repairs and maintenance	143,948	85,748
Auto and truck expenses	2,279	4,140
Utilities	164,681	162,135
Insurance	12,148	12,372
Other	26,422	16,839
Depreciation	79,255	79,455
Total sewer department	<u>650,463</u>	<u>584,176</u>
 Total operating expenses	 <u>\$ 959,620</u>	 <u>\$ 900,202</u>

CITY OF OAKDALE, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Statements of Cash Flows
Years Ended June 30, 2007 and 2006

	<u>2007</u>	<u>2006</u>
Cash flows from operating activities:		
Operating income	\$ 433,394	\$ 245,578
Adjustments to reconcile operating income to net cash provided by operating activities -		
Depreciation	154,815	160,742
Changes in assets and liabilities:		
Customers receivables	(166,749)	13,378
Due from Master Bank	249,077	(295,074)
Accounts payable	(17,809)	11,371
Other current liabilities	(52)	31
Due to other funds	18,863	(157,247)
Total adjustments	<u>238,145</u>	<u>(266,799)</u>
Net cash provided (used) by operating activities	<u>671,539</u>	<u>(21,221)</u>
Cash flows from noncapital financing activities:		
Decrease (increase) in customer deposits - net	(178)	3,134
Operating transfer in (out)	<u>(644,011)</u>	<u>24,459</u>
Net cash provided (used) by noncapital financing activities	<u>(644,189)</u>	<u>27,593</u>
Cash flows from capital and related financing activities:		
Acquisition of property, plant and equipment	<u>(12,000)</u>	<u>(33,022)</u>
Net cash used by capital and related financing activities	<u>(12,000)</u>	<u>(33,022)</u>
Cash flows from investing activities:		
Proceeds from the maturity of investments	127,779	160,338
Purchase of investments	(151,594)	(127,779)
Interest received on investments	<u>15,177</u>	<u>2,398</u>
Net cash provided (used) by investing activities	<u>(8,638)</u>	<u>34,957</u>
Net increase (decrease) in cash and cash equivalents	6,712	8,307
Cash and cash equivalents, beginning of period	<u>73,181</u>	<u>64,874</u>
Cash and cash equivalents, end of period	<u>\$ 79,893</u>	<u>\$ 73,181</u>

FIDUCIARY FUND

Master Bank Fund - To account for the operating checking account used by the City.

CITY OF OAKDALE, LOUISIANA
Fiduciary Fund
Master Bank Fund

Comparative Balance Sheets
June 30, 2007 and 2006

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash	\$ 135,825	\$ 343,356
Due from General Fund	67,892	63,487
Due from Fire Department Fund	<u>13,516</u>	<u>18,740</u>
Total assets	<u>\$ 217,233</u>	<u>\$ 425,583</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Other accrued liabilities	\$ 44,893	\$ 28,605
Due to Sales Tax Fund	45,589	3,318
Due to Utility Fund	45,997	295,074
Due to Gaming Fund	80,754	60,754
Due to Bonded Debt	<u>-</u>	<u>37,832</u>
Total liabilities	<u>217,233</u>	<u>425,583</u>
Fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 217,233</u>	<u>\$ 425,583</u>

OTHER SUPPLEMENTARY DATA

CITY OF OAKDALE, LOUISIANA

Utility System Enterprise Fund
Schedule of Number of Utility Customers
(Unaudited)
June 30, 2007

	<u>Number of Customers water and sewer</u>
Metered or estimated:	
July, 2006	2367
August, 2006	2374
September, 2006	2378
October, 2006	2373
November, 2006	2359
December, 2006	2360
January, 2007	2356
February, 2007	2355
March, 2007	2356
April, 2007	2343
May, 2007	2341
June, 2007	2360

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER GRANT INFORMATION**

CITY OF OAKDALE, LOUISIANA

Summary Schedule of Prior Year Findings
Year Ended June 30, 2007

06-1 Segregation of Duties

This issue is resolved.

06-2 Budget Violations

This issue is unresolved. See current year finding 07-1.

ML-1-06 Care of Prisoners

This issue is resolved.

ML-2-06 Bank Reconciliations

This issue is unresolved. See current year finding 07-3.

ML-3-06 Accounts Payable

This issue is unresolved. See current year finding 07-4.

CITY OF OAKDALE, LOUISIANA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2007

Part 1: Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report - Financial Statements

A qualified opinion has been issued on the City of Oakdale, Louisiana's primary government financial statements as of and for the year ended June 30, 2007.

Significant Deficiencies - Financial Reporting

Three significant deficiencies in internal control over financial reporting were disclosed during the audit of the financial statements and are shown as items 07-2, 07-3 and 07-4 in Part 2 and are not considered to be a material weaknesses.

Material Noncompliance – Financial Reporting

One instance of noncompliance was disclosed during the audit of the financial statements and is shown as item 07-1 in Part 2.

FEDERAL AWARDS

Major Program identification

The City of Oakdale, Louisiana, at June 30, 2007, had one major program:

- EDA Grant, CFDA#11.300, which funds from the Department of Commerce "passed through" the Economic Development Administration.

Low-Risk Auditee

The City of Oakdale was not considered a low-risk auditee for the fiscal year ended June 30, 2007.

Major Program – Threshold

The dollar threshold to distinguish Type A & Type B Programs is \$300,000 for the fiscal year ended June 30, 2007

Auditor's Report – Major Programs

An unqualified opinion has been issued on the City of Oakdale's compliance for its major programs as of and for the year ended June 30, 2007.

CITY OF OAKDALE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2007

Reportable Conditions – Major Programs

The results of our tests disclosed no instances of noncompliance during the audit of major programs.

Part 2: Findings Relating to an Audit in Accordance with Government Auditing Standards

07-1 Budget Amendments

Finding:

State law requires that budgets be amended when actual expenditures plus estimated future expenditures exceed budgeted amounts by 5% or more. Noted during the course of our audit was the fact that certain budgeted line items were not amended as required by state law.

Recommendation:

We recommend that budgets be reviewed on an ongoing basis and be amended when actual plus estimated expenditures exceed budgeted amounts by 5% or more.

07-2 Fixed Asset Transactions

Finding:

A summarized schedule of fixed asset transactions with current year activity and related information was not effectively maintained during the current fiscal year.

Recommendation:

A summary schedule of fixed asset transactions indicating additions and disposals, along with relevant information regarding asset costs, useful lives, and transaction dates should be consistently maintained.

07-3 Bank Reconciliations

Finding:

Cash accounts were not properly reconciled on a timely basis resulting in audit inefficiencies.

Recommendation:

Monthly reconciliation of cash accounts should be performed for all outstanding checks and deposits in transit at month end. Identification of outstanding items should be readily available for audit purposes.

CITY OF OAKDALE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2007

07-4 Accounts Payable

Finding:

Accounts payable subsidiary ledger did not agree to the general ledger.

Recommendation:

A timely and consistent reconciliation of accounts payable subsidiaries to the general ledger control account should be performed in order to insure that the total of all subsidiary accounts agrees to the general ledger accounts payable balance as of the closing of the fiscal year end.

Part 3: Findings and Questioned Costs Relating to Federal Programs

The results of our testing disclosed no findings or questioned costs related to federal programs.

CITY OF OAKDALE, LOUISIANA

Management's Corrective Action Plan for Current Year Findings
Year Ended June 30, 2007

Response to finding 07-1:

The City Clerk and Mayor will continually monitor on an ongoing basis to identify potential budget violations requiring amendments.

Response to finding 07-2:

Due to expected increases in accounting efficiencies and effectiveness derived from the installation of a new integrated computerized accounting system, the City Clerk will insure that fixed asset balances and activity are properly and accurately scheduled.

Response to finding 07-3:

The City Clerk will reconcile cash accounts on a monthly basis and make identification of outstanding items readily available. The success of this function will be greatly enhanced with the implementation of the new computerized accounting system.

Response to finding 07-4:

The City Clerk and responsible personnel will insure that all subsidiary accounts reconcile to the general ledger as of the fiscal year end. The success of this function will be greatly enhanced with the implementation of the new computerized accounting system.

CITY OF OAKDALE, LOUISIANA

Schedule of Expenditures of Federal Awards
Year Ended June 30, 2007

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	Federal CFDA Number	Disbursements Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT: Passed through the Division of Administration Louisiana Community Development Block Grant Small Cities Program	14.228	\$ 95,992
U.S. DEPARTMENT OF HOMELAND SECURITY: Passed through the Department of Military Affairs Disaster Grants - Public Assistance	97.036	21,764
U.S. DEPARTMENT OF HOMELAND SECURITY: Passed through the Louisiana Commission on Law Enforcement and Administration of Criminal Justice Law Enforcement Terrorism Prevention Program (LETPP)	97.074	26,610
U.S. DEPARTMENT OF COMMERCE: Passed through the Economic Development Administration Grants for Public Works and Economic Development Facilities	11.300	<u>438,479</u>
Total federal assistance		<u>\$ 582,845</u>

NOTE 1 BASIS OF PRESENTATION

The above schedule of expenditures of federal awards includes the federal grant activity of the City of Oakdale, Louisiana and is presented on the same basis of accounting as described in Note 1 to the financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."